

NEBRASKA

Robert J. Boyd, Trenton.

NORTH CAROLINA

Willis A. Wilcox, Halifax.
Eugene L. Schuyler, Lowgap.
Atherton B. Hill, Scotland Neck.
Walter W. Redman, Pilot Mountain.

NORTH DAKOTA

Edith M. Ericson, Underwood.

OKLAHOMA

Ruth J. McLane, Lookeba.

OREGON

Charles W. Perry, Richlands.

PENNSYLVANIA

Laura P. Keith, Coraopolis.
John P. Rodger, Hooversville.
David J. Moore, Windber.

TEXAS

Annie K. Turney, Alpine.
Annie S. Morgan, Caddo Mills.
Walter C. Teague, Canadian.
Robert F. Myers, Ferris.
Olive Raoul, Gustine.
Amos E. Duffy, Matagorda.
Tolbert Hannon, Richmond.
Harry Wheeler, White Deer.

HOUSE OF REPRESENTATIVES

THURSDAY, April 3, 1924

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, all things continue vital and vivid because they are upheld by Thy power and wisdom, and the best things of heaven are wrought on earth. Then, do Thou enable us to cherish the good thought, the generous impulse, the upward-seeking desire. Give us strength to smother the roots of bitterness and strive in all things to emulate the teachings of the Master. Purge our vision and widen our sky and be with us always that we may be more than conquerors through Him who has loved us. May we always be found worthy to stand prepared to serve with the first-born sons of light. Be with us, O Lord, and great shall be our peace and acceptable shall be the fruit of this day. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. SIMMONS. Mr. Speaker, I ask unanimous consent that any Member of the House may have permission to extend his remarks on the subject of adjusted compensation for the next three legislative days.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that any Member of the House may extend his remarks on the subject of adjusted compensation for the next three legislative days. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. [Applause.]

Mr. VAILE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the subject of immigration legislation.

The SPEAKER. The gentleman from Colorado asks unanimous consent to extend his remarks in the Record on immigration legislation. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, which I do not intend to do, I have noticed this for some time in the Record, that when Members make a request for permission to extend their remarks the printed Record, instead of carrying that which takes place in the House and which the Members and the public are entitled to know, carries a little form statement in brackets. That has not seemed to me proper. It seems to me that the Record of the House as printed should be an actual record of that which is said on the floor. I have had some discussion about it with the reporters and learn that that practice has been by reason of instructions issued by the clerk of the Joint Committee on Printing, who has established a form that they would have to follow.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. CRAMTON. In a moment. I will say this. I took the matter up with the chairman of the House Committee on Print-

ing, who called it to the attention of the Joint Committee on Printing, and about a week ago—the gentleman [Mr. JOHNSON], who is a member of the committee, will know definitely—the Joint Committee on Printing acted and instructed their clerk to do away with this practice. But I find the practice continues. I have talked with the House reporters this morning and I find they have had no counter instructions from the Committee on Printing. I am making this statement so that steps may be taken by the Joint Committee on Printing to make effective the rule that they have adopted and in some way, if possible, get by the clerk of the Joint Committee on Printing. I withdraw my objection.

Mr. JOHNSON of Washington. Mr. Speaker, just one minute to make a brief statement. The Joint Committee on Printing does not want to be in the attitude of undertaking to edit the CONGRESSIONAL RECORD or any part of it. Acting upon the general feeling of the House that a form might be arranged that has been done, but it is the intent of the committee wherever there is any debate in connection with the right to extend remarks of course that debate shows. The committee does not desire to be put in the attitude of endeavoring to edit the Record. The position taken by the gentleman from Michigan is quite right, and I am glad the gentleman has called attention to it.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8233.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8233, the independent offices appropriation bill, with Mr. LEHLBACH in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8233, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF THE PRESIDENT

Salaries: For Secretary to the President, \$7,500; personal services in the office of the President in accordance with the classification act of 1923, \$86,020; in all, \$93,520: *Provided*, That employees of the executive departments and other establishments of the executive branch of the Government may be detailed from time to time to the office of the President of the United States for such temporary assistance as may be necessary.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I take it that the reason the chairman of the Committee on Appropriations gave us for changing the appropriations in supply bills for the various departments from specific items to lump sum does not apply in this case. Why should not the employees and their salaries under this paragraph be specified?

Mr. WOOD. Why they come under the classification act the same as employees in all the other departments.

Mr. BLANTON. Yes; but their duties are specific and already well known. We ought to know just exactly how many there are, we ought to know now the classification of them, we ought to know what salaries they will get under the new act. Then why not specify these matters definitely in the bill instead of this \$86,020 in one lump sum?

Mr. WOOD. Here is just the trouble about that business: The gentleman knows or should know they have until the 1st of July, all these departments, to employ, either increase or decrease, and the uncertainty with reference to this classification will not terminate until that time.

Mr. BLANTON. I understand then at the end of the coming fiscal year all of these matters will have been determined, and that in the next supply bills for the next fiscal year there will not be any lump sums in that case?

Mr. WOOD. We can not tell at this time. It was impossible to do that thing for the reason the Classification Board—

Mr. BLANTON. I caught the excuse, but I take it that excuse will not be applicable in connection with the next supply bill.

Mr. WOOD. I hope that it will not be.

Mr. BLANTON. I want to put the gentleman on notice now, and the chairman, the gentleman from Illinois [Mr. MADDEN], that I have talked with quite a number of colleagues, not merely Democrats but also Republicans, on both sides of the aisle, and I find that there are a whole lot of them who are not satisfied with this program of lump-sum appropriations. I believe there will be enough of us Members organized sufficiently to stop it when we take up the supply bills for the next fiscal year. I hope there will not be any attempt by the committee to put a single lump-sum appropriation into these supply bills next year. A number of Members have told me here that they are not going to stand for it next year if we can get together enough votes to stop it.

Mr. CARTER. Mr. Chairman, this matter has been gone over and thrashed out fifteen or twenty times by the gentleman from Texas [Mr. BLANTON] on every appropriation bill, and I think it has always been agreed by the House that where you have a specific law, saying how the money shall be expended, to wit, such as the classification act, compliance with the request of the gentleman from Texas would be nothing more nor less than a reiteration of existing law, and encumbering the appropriation bill with a lot of unnecessary verbiage that does not mean anything except repetition.

Now, so far as items outside of the payment of salaries are concerned, where they are not classified and governed by the law, I think the items ought to be specific, too; but there is no necessity of repeating the law in an appropriation bill.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes.

Mr. BLANTON. I will tell the gentleman from Oklahoma where such a policy is leading. The next supply bill that we are going to take up to-morrow for passage covers four departments, all embraced in one bill. That is the first instance during the seven years I have been here where they have combined four departments in one supply bill. I will ask the gentleman whether it has ever been done before during the long term of the gentleman from Oklahoma.

Mr. CARTER. No; that comes about on account of the working out of the Budget system, because all these bills are not very long and not very complicated, and therefore the four are placed together. The reason for doing that is to save the time of the House and the appointment of so many different subcommittees. That is the reason why, I take it; but the gentleman from Illinois [Mr. MADDEN], who is chairman of the Committee on Appropriations, can explain it better than I. Its meaning is so clear and apparent that I have not deemed it necessary to inquire of him.

Mr. BLANTON. I do not think it should be done. The bills should all be reported and considered separately, so that those of us who are interested in economy may properly check them up and keep up with them.

Mr. CARTER. Then, following that out to its logical conclusion, every item in the bill ought to be a separate bill, separately reported.

Mr. BLANTON. No; not every item, but each department should have a separate bill, and I will tell you why. We have had a supply bill for each department every year until lately. We can take that bill and keep in mind the items that will come in the next one, and compare them each year; but where they have them all conglomerated in one bill that could not be done so easily.

Mr. CARTER. There is no conglomeration.

Mr. BLANTON. It is impossible to keep up with them where several departments are put in one bill.

Mr. CARTER. There is no conglomeration, and each department is set off by itself as it would be in a separate bill. There can be no confusion about it, and I can not see why there should be any complaint. The gentleman from Texas must concede that it is necessary to pass these bills at each session of Congress, and, of course, this plan is in the interest of time saving. I think the gentleman will admit that the calendar is now congested with a lot of important business that ought to be considered, but it can not be considered if we are not to save the time of the House.

Mr. BLANTON. If it is just a question of saving time, then why not combine them and consider them all at once in one resolution continuing all appropriations and not waste time on these supply bills at all?

Mr. CARTER. The Committee on Appropriations thinks that every item in every one of the bills should receive the closest scrutiny; and so far as regards the bills that I am concerned with that has been done.

Mr. MADDEN. Yes; that has been done.

Mr. CRAMTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Michigan moves to strike out the last word.

Mr. CRAMTON. Mr. Chairman, I simply want to suggest to the gentleman from Texas that while it may be a reason that would not of itself appeal to him or to me, yet the British budget system has only one bill covering all the departments of the government. Of course their system is such as to make that possible.

Mr. BLANTON. They are in an awful situation over there right now, are they not?

Mr. CRAMTON. Not due to that fact at all, and there might be reasons why it would be desirable to have only one bill reported here if it were physically possible. At any rate it would give the House a chance to compare the total appropriations with the anticipated revenues. But of course it is not physically possible, inasmuch as the committee and the House would not have time to permit that.

Mr. BLANTON. The gentleman from Michigan would not stand for that himself.

Mr. CRAMTON. It has that one good feature.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For lighting the Executive Mansion, grounds, and greenhouses, electric power, and the installation and maintenance of electric fixtures of all kinds, \$8,600.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. I just want to call the attention of the taxpayers of the country to what our Chief Executive is annually costing the Government. In the first place, we pay him \$75,000 salary, and then we pay for his office force \$86,020 a year. We pay for contingent expenses of his executive office \$37,000 in a lump sum. We pay for his printing and binding \$2,900. We pay for his traveling expenses \$25,000.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a minute. I want to get this in the Record consecutively, and then I will yield. I want to let the people know just how much their Chief Executive is costing us annually. I will yield to the gentleman in a minute.

For ordinary care and repair in refurnishing the Executive Mansion, \$49,240; for heating the mansion and greenhouse, \$11,000; for care and maintenance of the greenhouse, \$9,900; for repair and reconstruction of the greenhouse, \$9,860; for improvement and maintenance of the Executive Mansion grounds, \$10,000; for lighting the Executive Mansion grounds and greenhouse, electric power, installation, and so on, \$8,600; for White House police, \$55,540; for their uniforms, \$3,350. And besides we are paying the salaries of 178 men to man his yacht, the *Mayflower*, plus upkeep expenses.

A short time ago the newspapers said that the chief of engineers of White House expenditures had decided that the White House was unsafe and must be rebuilt.

Mr. MADDEN. Not the chief of engineers. It was the Superintendent in charge of Public Buildings and Grounds.

Mr. BLANTON. I thought that on these expenditure questions in Washington he should properly be designated chief of engineers of Washington expenditures.

Mr. MADDEN. You may think so.

Mr. BLANTON. He said that the White House was unsafe; that it should be rebuilt at once.

Mr. MADDEN. Of course, that was absurd.

Mr. BLANTON. But that is what he said. Of course, it is absurd. A lot of these items in this bill are absurd, for this bill every year always contains all of these appropriations I mentioned. But I want to tell you a joke on this Superintendent in charge of Public Buildings and Grounds. Right after that the President gave a big reception. I went. I do not have time to go to many receptions, but I went to this one.

It is our duty to go when the President invites us. I saw the biggest reception crowd I think I ever saw in my life. Congressmen, Senators, and their families, all of the Diplomatic Corps, the Army and the Navy, and everybody else were there, and the White House was simply alive with people from top to bottom. But I did not see anybody uneasy. The chairman of the Appropriations Committee looked just as serene and smiling as he is now. He was not uneasy about his life. Nobody was uneasy about the safety of the White House. That was all

monkey business. And I decided that night that we could not rely on these "unsafe" reports made by this superintendent.

Mr. MADDEN. I did not agree at all with the Superintendent of Public Buildings and Grounds.

Mr. BLANTON. I know; but the committee does agree with lots of these "fancies" sometimes and puts large sums of money into bills to be needlessly expended when we ought to use some common sense, and not allow what is not needed.

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

For uniforming and equipping the White House police, including the purchase and issue of revolvers and ammunition, \$3,350.

Mr. KVALE. Mr. Chairman, I move to strike out the last word. I asked recognition while the Clerk was reading several of the previous paragraphs.

The CHAIRMAN. Without objection, the gentleman will be recognized.

Mr. KVALE. I merely rose to ask for a little information regarding one of these paragraphs. I would like to ask about the \$25,000 for traveling expenses. In the event the President stays on his front porch and uses the radio, what about the \$25,000?

Mr. MADDEN. It is not expended if he does not use it, and whatever is not used goes back into the Treasury.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For all printing and binding for the Alien Property Custodian, \$1,000.

Mr. LOWREY. Mr. Chairman, I move to amend this paragraph by striking out "\$1,000" and substituting "\$5,000" in line 17.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LOWREY: Page 4, line 17, strike out "\$1,000" and insert "\$5,000."

Mr. LOWREY. Mr. Chairman, I offered the amendment to get the floor in order to discuss for a few minutes a matter connected with the Alien Property Custodian fund. Three days ago I discussed for a few minutes on this floor the bill that has been introduced to use this fund as a revolving fund to facilitate the shipment of American farm products especially to Germany, Austria, and Hungary. Since that discussion three days ago the Senate Agricultural Committee has had two days of hearings on that bill, and some very interesting things have developed.

As you know, I suppose, the proposition is this: We hold \$179,000,000 of funds belonging to German, Austrian, and Hungarian nationals. These funds, according to the laws of war, were seized by our Government while we were at war with these countries. We are holding them as security to guarantee the payment of damages to American nationals while the Mixed Claims Commission is working on that proposition and preparing its report. The Alien Property Custodian suggested that these funds are lying in the Treasury and might be used to great purpose to facilitate American commerce, to help our agricultural situation especially, to provide food for the Germans and open up their factories and their industries, and that it might be made to do other important things for both our country and the other countries concerned.

Mr. BOX. Will the gentleman yield?

Mr. LOWREY. Yes.

Mr. BOX. Is not that fund held in the nature of a trust fund, which we would not be free to use; and if we were to use it, would it not be under such conditions as would be virtually an appropriation of it?

Mr. LOWREY. I am very glad to have the gentleman suggest that. Yes; that is a trust fund; and yet an amendment has already been suggested in the Senate committee, and was suggested by the original promoters of the bill, to the effect that our Government might well afford to guarantee that fund absolutely, make everybody safe, and use the fund for this purpose. It is proposed in the bill to use some of these funds for helping agriculture. You know that one of the bills now before Congress proposes to appropriate a flat \$200,000,000 for the aid of agriculture, and the other day the House did appropriate, as an actual gift to the Germans, \$10,000,000 to feed their starving people. Now, I believe that with the safeguards which have been put around this proposal we take practically no risk on earth and could not lose as much as \$10,000,000. If we used this alien fund for two or three years, or as long as it

would otherwise lie there in the Treasury, and by using it opened up many German factories and provided much food for the starving Germans, we would make that bill do far more than the \$10,000,000 which has been given to the German people, the people to whom these funds belong, and at the same time we would make it do much to help our own people.

I want to speak again about the safeguards which this bill places around the fund. One is that the corporation formed shall withdraw from the Treasury \$150,000,000 at such time or times as it may be needed in order to extend credit to persons or corporations in Germany, Austria, and Hungary who wish to purchase American food products and American materials. But this is to be handled in such a way as to guarantee against loss.

First. Not more than one-half of 1 per cent of the amount shall be used by any person or corporation at any one time. So no large individual losses could occur.

Second. All raw material for manufacture, and so forth, must be followed with a lien, under a reliable trusteeship, until the manufactured products are sold and material paid for in American dollars.

Third. If at any time the overdue and unpaid loans amount to more than \$7,500,000, no more loans shall be made till that situation is corrected. That is to say, when 5 per cent of the \$150,000,000 shall stand overdue and unpaid, loans shall cease until collections are made to bring it within 5 per cent.

Fourth. The accumulated interest on this fund is now over \$27,000,000, and any loss that might occur shall for the time be charged against the interest so as to hold the principal always intact.

Fifth. Any credits for purchase of grain or foodstuffs which can not be followed to final settlement by a lien shall be guaranteed by note, security, trade acceptance, and so forth, such as the corporation may approve. But such credits shall at no time go beyond the amount of accumulated interest in the hands of the corporation or the custodian.

Finally, as one of the proponents of this bill, I should favor a committee amendment by which our Government would absolutely guarantee the final integrity of this fund against all loss by this use of it.

The fund in a sense belongs to the nationals of Germany, Austria, and Hungary. We owe it to them to protect the fund. It is held as security to guarantee to our own nationals indemnity for losses by acts of these enemy Governments. We owe more to them than to enemy aliens. But we can use this fund greatly to the benefit of all, and even should a part be lost and have to be replaced by our Government the reestablishment and maintenance of our trade with these peoples would mean enough to us and them to justify the loss.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOX. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended five minutes.

Mr. WOOD. I shall have to object. I have listened to the gentleman, and he has taken five minutes in discussing a matter which is not at all germane to the amendment he offered.

The CHAIRMAN. Objection is made.

Mr. LOWREY. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none.

The Clerk read as follows:

AMERICAN BATTLE MONUMENTS COMMISSION

For every expenditure requisite for and incident to the work of the American Battle Monuments Commission authorized by the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923, including the acquisition of land or interest in land in foreign countries for carrying out the purposes of the said act without submission to the Attorney General of the United States under the provisions of section 355 of the Revised Statutes; not to exceed \$20,000 for the employment of personal services in the District of Columbia and elsewhere; the transportation of, mileage of, reimbursement of actual travel expenses or per diem in lieu thereof to the members of the commission and its secretary and personnel engaged upon the work of the commission as authorized by law; the establishment of offices and the rent of office space in foreign countries; printing, engraving, lithographing, binding, photographing, and typewriting, \$500,000, of which \$50,000 shall be available only for preliminary work and plans for the improvement and beautification of American cemeteries in Europe, including every expenditure requisite for and incident thereto: *Provided*, That when traveling with the commission or on the business

of the commission officers of the Army serving as members or as secretary of the commission shall be reimbursed as provided by law for Army officers: *Provided further*, That disbursements for expenditures outside of continental United States may be made by a special disbursing agent designated by the commission and under such regulations as it may prescribe.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word in order to get some information. I would like to ask the Chairman how much overhead there is in this \$500,000. I imagine in the name of our soldiers we are creating another expensive permanent commission here, and are we going to continue giving them this \$500,000 every year?

Mr. WOOD. The work of this commission of necessity will be wound up at the end of two years. The overhead expense will be reduced somewhat as the work goes on, but will aggregate about \$24,000 a year.

Mr. BLANTON. Can the gentleman tell us how many employees are now on the pay roll under this commission?

Mr. WOOD. There will be 13 all told.

Mr. BLANTON. What is meant by the provision here that where Army officers travel with the commission they shall be reimbursed as provided by law for Army officers? Do they get anything more than their regular pay?

Mr. WOOD. No; they do not. They can not receive but one pay, and it would be unlawful for them to take two pays. So far as their expenses are concerned, they will be paid.

Mr. BLANTON. What is the use of putting in that language if they could not get any more by law anyway?

Mr. WOOD. It does not hurt anything to have it in and is just a gentle reminder of the fact that they can not get it.

Mr. BLANTON. How much travel over Europe or elsewhere is done by this commission?

Mr. WOOD. I do not know about that.

Mr. BLANTON. This \$24,000, I understand, is allowed them for that purpose.

Mr. WOOD. No; the \$24,000 is allowed them for overhead, and out of that will be paid some traveling expenses. Of necessity, there will have to be some travel if they perform the duty the law requires them to perform.

Mr. BLANTON. I hope on such matters as this the committee will pin them down and not let large amounts of money on junketing trips be wrongfully spent in the name of our soldiers.

Mr. WOOD. The gentleman ought to be gratified, because we reduced this appropriation. We felt they could get along with less money than they asked for and we reduced it somewhat.

The Clerk read as follows:

BUREAU OF EFFICIENCY

For chief of bureau and other personal services in the District of Columbia in accordance with the classification act of 1923; contingent expenses, including traveling expenses; per diem in lieu of subsistence; supplies; stationery; purchase and exchange of equipment; not to exceed \$100 for law books, books of reference, and periodicals; and not to exceed \$150 for street-car fare; in all, \$155,650.

For all printing and binding for the Bureau of Efficiency, \$500.

Mr. STENGLE. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. STENGLE: Page 6, lines 1 to 10, inclusive, strike out the entire paragraph.

Mr. BLANTON. Mr. Chairman, I reserve a point of order on the amendment.

Mr. STENGLE. I will be glad to have the gentleman state it now, if he wants to make it.

The CHAIRMAN. Will the gentleman from Texas state his point of order?

Mr. BLANTON. My point of order is that there is by law created a board of efficiency and it is functioning now. It is the duty of the Appropriations Committee to provide the salaries which the law demands. The Appropriations Committee has carried out their duty and sought to provide those salaries carrying out the substantive law. To deprive these men of the salaries they are entitled to under the law would be to deny them their legal rights under the law, and to that extent it is a change of law in an appropriation bill.

Mr. SANDERS of Indiana. Will the gentleman from Texas yield?

Mr. BLANTON. I yield.

Mr. SANDERS of Indiana. The gentleman is not serious about that contention?

Mr. BLANTON. I am just about as serious as the gentleman from New York is in moving to strike it out.

The CHAIRMAN. The point of order is overruled.

Mr. STENGLE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none.

Mr. STENGLE. "Mene, mene, tekel, upharsin," which being interpreted reads, "Thou art weighed in the balance and found wanting." This is the universal verdict when the official activities of Herbert D. Brown and his Bureau of Efficiency are dissected by those whose long experience in Government service thoroughly qualifies them to render an honest and intelligent decision.

For a number of years past official Washington has been watchfully waiting for something worth while to emanate from Brown's beehive of industry, but so far nothing has occurred or been published which would justify a further expenditure of the people's money, and it seems to me that this House has about reached the time when we should either demand results of a substantial character or stop appropriating for the financial upkeep of this institution.

Somehow, whenever anyone rises in this presence and attempts to show the utter uselessness of the Bureau of Efficiency as it is at present directed, operated, and manned, forthwith a barrage of defense is thrown up, and the sincerity of him who criticizes is savagely questioned. I want to say here and now that it will take much more than verbal camouflage and the printing of stale figures to drive me from my purpose to prove to my colleagues that they are being badly fooled if they have been led to believe that our governmental operations will cease to properly function if Herbert D. Brown and his rating squad should happen to be separated from the \$156,150 provided for in this appropriation bill.

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman's speech is not on his motion to strike out the paragraph.

The CHAIRMAN. The point of order is overruled, and the gentleman from New York will continue.

Mr. STENGLE. "Comrade" Wood, of Indiana, to the contrary notwithstanding, I reiterate that the service-rating system planned by Herbert D. Brown and tried out on the postal employees of this country was so destructive of the morale of that department that Postmaster General Hays—no doubt admitted by my friend and colleague from Indiana to be the best Postmaster General the United States ever had, or could ever hope to have—upon induction into office took immediate action to destroy its evil and baneful effects, and at once called in Leo K. Frankel, of the Metropolitan Life Insurance Co., and had him organize a sound system of personnel administration, and later on also sought the advice and assistance of Henry S. Dennison, of the Dennison Manufacturing Co. Both of these well known and long experienced efficiency experts diagnosed the main trouble in the Postal Service chaos at that time was due almost entirely to the unfair rating system established in the department by the Bureau of Efficiency.

Mr. MADDEN. Will the gentleman yield?

Mr. STENGLE. I will.

Mr. MADDEN. Of course, I suppose the gentleman would like to state facts when he is talking?

Mr. STENGLE. I am endeavoring so to do.

Mr. MADDEN. What the gentleman is stating now is not the fact. The gentleman, Mr. Dennison, that the gentleman talks about, is not an expert efficiency man at all. He is a welfare man.

Mr. STENGLE. I know who he is.

Mr. MADDEN. And his work is being done entirely in connection with the welfare service of the Post Office Department and has nothing to do with matters of efficiency.

Mr. STENGLE. But with personal advancement. I know whereof I speak.

Mr. MADDEN. So do I.

Mr. STENGLE. Well, I am glad we both know, even if we do not agree. [Laughter.]

The Postmaster General himself is quoted authoritatively as having said that Brown's system of service rating provided largely for demerits for things done wrong and but very little in the way of rewards for things done well.

Surely my colleague from Indiana [Mr. Wood] will not question the veracity or ability of Will Hays to see through a millstone when there is a hole in it.

I claim, gentlemen, that the Bureau of Efficiency, as at present organized and functioning, is a useless piece of Government machinery and money appropriated for its operation

a woeful waste of public funds. Let us see whether I am dealing in "hot air" or not. The national Budget act, approved June 10, 1921, specifically assigns to the Bureau of the Budget the following duties:

SEC. 209. The bureau, when directed by the President, shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes—with a view of securing greater economy and efficiency in the conduct of the public service—should be made in (1) the existing organization, activities, and methods of business of such departments or establishments, (2) the appropriation therefor, (3) the assignment of particular activities to particular services, or (4) the regrouping of services. The result of such study shall be embodied in a report or reports to the President, who may transmit to Congress such report or reports or any part thereof with his recommendations on the matters covered thereby.

If the Bureau of the Budget is to properly function, it obviously must possess and exercise the duties assigned to it in the foregoing section of the act. The time has certainly arrived when the Budget Bureau must base its actions largely on first-hand knowledge and analysis of the detailed facts regarding matters of office and bureau organization in the Government service, and not upon some "cooked up" report of another establishment. How can this important bureau give honest constructive criticism without first having itself made an impartial investigation? The intelligence and experience of the Members of this House certainly agree with me when I say that to divide this function between the Budget Bureau and the Bureau of Efficiency is an undisputable waste of public funds, because it must inevitably lead to a duplication of activities, cause friction, and make an unnecessary multiplication of administrative officers at high salaries together with the usual large overhead expense. Indeed, friction has already occurred with respect to an analysis of expenditures published by the Bureau of Efficiency, or given out for publication by it, as the Bureau of Efficiency analysis was made the basis for pacifist arguments against the military and naval program of the administration. Almost without any additional expenditure the Budget Bureau could take care of the routine affairs of the working staff of the Bureau of Efficiency, such as keeping bureau accounts, keeping time records, making pay rolls and pay checks, keeping appointment records, operating telephone switchboard, maintaining a library, securing and issuing supplies, opening, distributing, and collecting mail, and many other institutional activities that are always relatively costly in a small organization. Both bureaus now have investigation staffs, and they have to familiarize themselves with the subjects investigated, making an unnecessary duplication of work. There is also an unnecessary duplication of the high-priced directing staff of the two organizations. One director for activities of this kind and character is entirely sufficient, and only one would be permitted in any private business.

If, as some seem to feel and act, Herbert D. Brown must be continued on the Government pay roll, it would be much cheaper and better for the service to just place him upon a liberal pension allowance and dispense with his so-called expert (?) advice entirely. And, gentlemen, I make this statement without the slightest trace of personal enmity against Brown but with the highest desire to aid and strengthen the public service.

My friend the gentleman from Indiana seems to feel that the Government would "tilt up" if Brown's efficiency squad should cease to function. Let me remind him that, notwithstanding the efficiency system was adopted as a governmental activity away back in 1912, it made extremely slow progress until 1920, when the Congressional Joint Committee on Reclassification of Salaries recommended that the work of this bureau be transferred to the Civil Service Commission. Then, with feverish activity, it began to work on the job assigned to it by Congress almost eight years before.

Mr. Chairman, I am not opposed to efficient public service, nor am I an enemy to an honest service-rating system decently administered, but after years of observation and close-up contact with the service-rating systems now in vogue and knowing full well how their operation destroys the morale of whole departments in the public service, I can not sit still and allow their continuance without some word of protest. Heed not my warning if you like. Pass this appropriation for the Bureau of Efficiency if you desire. But when you do, remember that you can not claim lack of knowledge or misunderstanding as a valid excuse for the mistake you will make. I here and now charge and challenge successful contradiction that the Bureau of Efficiency, presided over by Herbert D. Brown, is too cumbersome,

burdensome, and costly; that it establishes no real standards for determining the efficiency of the employee in the performance of the duties upon which the employee is actually engaged; that it is so devised that no matter what the real efficiency of the employees of a given grade in an organization may be, the average efficiency rating and the average salary of those employees will be approximately constant, for it makes the average of the employees in the grade the basis for determining the efficiency rating; in other words, when efficiency changes the standard changes, while the efficiency rating and the salary stay fairly constant; that it does not provide a proper classification of positions on the basis of duties in such a way as will permit of the development of real systems for measuring the efficiency of employees in the performance of their duties. It completely ignores the fact that efficiency rating systems must be developed with specific reference to production records; that it can be used, and is now being used here in the District of Columbia, for the purpose of "boosting" pets and "busting" those not in the good graces of bureau chiefs, with the direct result that a vast army of Government servants, who should be working in absolute harmony and for the best interest of their employer, has been thrown into a mass of disorganized, distressed, and disheartened persons struggling to hold fast to their faith in eventual fair play when truth shall once more be enthroned.

Mr. MADDEN. Will the gentleman yield further?

Mr. STENGLE. I yield.

Mr. MADDEN. How does the gentleman know that? Tell us how he knows that.

Mr. STENGLE. As we have often heard quoted here on both sides of this Chamber, we are to judge a tree by its fruits.

Mr. MADDEN. Has the gentleman made a personal investigation of the value of the work done by the Bureau of Efficiency?

Mr. STENGLE. I have made sufficient investigation to convince myself.

Mr. MADDEN. I ask the gentleman if he is making the statement he is now making based on information that he acquired by investigation?

Mr. STENGLE. I have based it largely on information and upon the speech made by the gentleman himself.

Mr. MADDEN. The speech I made was on a totally different subject and had nothing to do with the matter of ratings.

Mr. STENGLE. It had to do with the same bureau.

Mr. Chairman, I have no special desire that my word shall be taken entirely in this matter. Let those who doubt my charges that the Bureau of Efficiency is inefficient inquire of some member of the Congressional Joint Commission on Reclassification of Salaries as to results obtained through this expensive agency of the Government when it was called upon to aid in the great work of that body. This commission expected to utilize the work already done by the Bureau of Efficiency and to use the bureau as its laboratory. It found that the bureau had done practically nothing of value in pursuance of the act of March 2, 1917, that the bureau had no real plans for such work, that it had little knowledge of what had been done in other governmental jurisdictions, that it had on its staff no person experienced in this field, that its chief (Brown) was one with whom few could cooperate and that he had incurred the ill will of large numbers of employees because of his arbitrary stand in the matter of developing an adequate retirement system for the Federal service. In a very short time the Congressional Commission dismissed the Bureau of Efficiency and its chief from the commission's plans and secured qualified outside technical advice and assistance and developed its own staff.

But why prolong the agony? What I have here charged is easily proven and can not be successfully denied by those who would rise in defense of Brown and his bureau. One need only to check up on the bureau's inefficient labors in the Bureau of War Risk Insurance, the office of The Adjutant General of the War Department—when under the management of Gen. Peter C. Harris—and the Pension Bureau to find full confirmation of what I have said.

Of more recent date and now somewhat familiar to the Members of this House the Bureau of Efficiency's activities in the Personnel Classification Board is a shining example of its utter uselessness and its willingness to show disrespect for Congress and the laws it enacts.

Notwithstanding that the Sixty-seventh Congress had refused to adopt the Wood-Smoot—which in reality was the Brown—plan of reclassification, we find that under the guidance and direction of the Bureau of Efficiency, or its representative, this discarded system was used largely as a basis for calculation, with the result that our own Committee on Civil Service

has laid before this House a unanimous report in favor of abolishing the Personnel Reclassification Board.

In all fairness may I not ask, Why keep the Bureau of Efficiency in this appropriation bill? Why continue to permit this agency of ingenious intrigue to function and feed at the public crib when not one good reason is shown for its further existence? Of course I know it is the "pet stepchild" of some of our legislators and that any attack made by me will be met with volleys of words and then more words in seeming justification of the bureau's existence; but, gentlemen, I stand ready at a moment's notice to produce expert testimony which will clearly show that I am neither groping in the dark nor appearing here, as has already been claimed, as the mouthpiece of disgruntled employees, but in the interest of honest government efficiently served. To do less than this would mark me as a violator of my oath of office, which I greatly respect and intend faithfully to preserve.

Mr. MADDEN. Mr. Chairman, I would like to answer the gentleman.

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes. [Applause.]

Mr. MADDEN. Mr. Chairman, one does not have to be enamored of the personality of the man in charge of any given activity, either in the Government or elsewhere, to accord him justice. I want to say that every word said by the gentleman from New York in derogation of the services of the Bureau of Efficiency has no basis of fact whatever. There is no bureau in the service of the Government rendering more valuable service than this Bureau of Efficiency which has been so terribly berated by the gentleman from New York. [Applause.] I am sure the gentleman from New York is so fair that he would not make the statements he has made if he had made the investigation that ought to have been made before the statements were made. The gentleman is taking somebody else's word for the statements that he has given to the House. He has no first-hand knowledge on the subject. This is apparent from what he has said.

I will give you a few illustrations as to why the Bureau of Efficiency ought to exist and why the motion of the gentleman from New York ought not to prevail.

On many occasions it becomes the duty of the Appropriations Committee to make somewhat exhaustive investigations as to the justice of demands made by the various departments for appropriations to conduct the business of those departments, and although we make these investigations as exhaustively as we can, it frequently happens we do not obtain all the information to justify an intelligent conclusion. Then what do we do? We obtain as much outside information as we can, aside from the information furnished to us by the expending departments of the Government.

What are the agencies through which we may obtain information which will lead us to intelligent functioning? For after all our work is to see that the conduct of the Government is on efficient lines, that no dollar is expended that can not be justified. So it frequently happens that we have to call into our service the Bureau of Efficiency. The bureau has 52 men. They are the most efficient men employed anywhere. They are all experts. [Applause.] They are clean, they are courageous, they have knowledge, and they have experience. They have courage to do the things that should be done; they are not swayed by the clamor of those who want to get their hands into the Treasury regardless of justification. There are such, and many of them are on the pay roll of the Government. It may not be said that because men are on the Government pay roll they are just in the conclusions they reach. I will be the last man in the House to do an injustice to anybody, but I will not be driven from a just purpose by any combination or clamor, no matter where it comes from.

My place as chairman of the Appropriations Committee requires me to assume responsibility. I must have courage. I must deny many demands and many requests. I must deny combined effort to loot the Treasury. I do deny it. I do not hesitate. I am not popular with those who are on the Government pay roll, but I consider my unpopularity the best certificate and justification for my service. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADDEN. I do not expect to be popular, but I will not be driven from the legitimate purpose which is involved in the responsibility which you have placed upon me. I will do my duty. I think it is well understood that I am not a special admirer of Mr. Brown, the chief of the Bureau of Efficiency, but I would not on that account do him an injustice.

Mr. Brown has great ability; he has great courage; he is unafraid; he will do his duty as he sees it. He has stopped many men from putting their hands into the Treasury unjustly. [Applause.] Of course, he will be unpopular. So am I. I think that is the best certificate of merit—to be unpopular when one is guarding the sacred interests of the American people. What else can one expect when combination after combination having no other purpose except to loot the Treasury without respect to the merits of the case are stopped by those who are made guardians of the public interests? You can not be popular, gentlemen, and do your duty. Too many men want something that does not belong to them. There are so many men on the Government pay roll in high and low places that do not want public functionaries to function when their special interests are at stake, and the man who stops them is unpopular. I want no better certificate of merit than the unpopularity that comes to me because I perform my duty fearlessly. I speak for you, I speak for those who sent you here, and I want to say to you that millions upon millions of dollars have been saved to the American taxpayers by the Bureau of Efficiency, the appropriation to pay whose men is carried in this item the gentleman from New York seeks to strike out.

Oh, gentlemen, let us be fair. Everybody knows I am not a friend of Herbert Brown; but, unfriendly though I might be, I would not under any circumstances do him an injustice. He is an able, conscientious, public servant, and he has the most efficient corps of experts that the Government employs in any department. Gentlemen, we have got to look out for the Treasury.

Mr. BLANTON. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. BLANTON. I was wondering why the distinguished gentleman from Illinois is not his friend. If Mr. Brown is doing so much for the Government, why is not the gentleman from Illinois his friend?

Mr. MADDEN. I would not do him an injustice.

Mr. BLANTON. I am his friend.

Mr. MADDEN. That is all right; I will act as his friend by doing him justice, and no man can expect more than that. I would not do him an injustice under any circumstances, at any price. That is where I stand. He has saved to the taxpayers of America, through the operation of the force over which he presides, millions and millions of dollars, and his work and that of his bureau is the best there is in the Government. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I want to say a word with reference to this amendment offered by the gentleman from New York [Mr. STENGLE]. I have a very high respect and a warm personal regard for the gentleman from New York, and I believe him, as we all do, to be one of the most able and influential legislators on the floor of the House, but I greatly fear that the opposition of my friend to this Bureau of Efficiency has led him into a little inconsistency. A few days ago, when there was a proposition before the committee to deny Colonel Hunt and Major Cresson their salaries, I recall that one of the most eloquent speeches and appeals that I heard during that debate, criticizing those who would seek by indirection to repeal a law, criticizing those who would seek to repeal a law by denying an appropriation, was made by the gentleman from New York [Mr. STENGLE]; and now, notwithstanding there is a law creating this Bureau of Efficiency, notwithstanding that this law has been upon the statute books for years, we find the gentleman undertaking to repeal that law by denying to that bureau for the next fiscal year the appropriation necessary to do its work and carry out the law on the statute books.

I do not profess to be the champion of the Bureau of Efficiency, but I do say, and I agree with my distinguished friend from Illinois [Mr. MADDEN], the chairman of the committee, that the Bureau of Efficiency has during the past rendered a distinct service to the Government of the United States. Back yonder in 1915 or 1916, I believe it was, it was under the Civil Service Commission, and an amendment was placed on one of the appropriation bills in the Senate by that distinguished gentleman now dead, Senator Martin, of Virginia, making of the Bureau of Efficiency an independent office. That amendment came to the House and was sent to a conference committee. At the head of the conferees on the part of the House was the distinguished and able gentleman from New York, Mr. Fitzgerald, and so Senator Martin and Mr. Fitzgerald are more responsible than any other Members of the Congress for making this Bureau of Efficiency an independent office or institution. They did it because they believed that it could render good service

to the Government. They did it because they believed that making it independent of all other branches of the Government and placing it under the direct supervision of the President would enable the Chief of the Bureau of Efficiency to exercise independence and show that courage of which the gentleman from Illinois has spoken, and which I agree with him has been displayed in many instances by the Chief of the Bureau of Efficiency in the administration of his office.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. MADDEN. The gentleman from Tennessee, of course, recalls that during this session of Congress, upon the recommendation of the Bureau of Efficiency, authorized to investigate by the Committee on Appropriations, we cut \$500,000 out of one bureau in one department this year.

Mr. BYRNS of Tennessee. I recall that, and other instances could be cited, dating back for a number of years, as to the service rendered by this particular bureau. It is an important arm of the Government. I recall that the first department which it investigated after it was made an independent institution was the Post Office Department, then under the administration of the Hon. Albert S. Burleson, who welcomed Mr. Brown and his force of experts in his department, and the Bureau of Efficiency put into effect efficiency ratings in the Post Office Department, and it is operating under them to-day, and I have heard former Postmaster General Burleson speak in the highest praise of the work done by this bureau and of the thousands of dollars it had saved to the Government in that one department alone. [Applause.] I regret I have not time to discuss other features of its work.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BLANTON. Mr. Chairman, I offer as a substitute for the motion to strike out the section an amendment to strike out the period.

The CHAIRMAN. Does the gentleman offer that as a pro forma amendment?

Mr. BLANTON. Yes.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, the distinguished gentleman from New York [Mr. STENGLE] has been here in Washington only since last December, and most of that time Congress has been in session every day; therefore he has not had much time to investigate this bureau. I have spent practically every spare hour of my time during the last seven years in investigating the various bureaus of our Government in the city of Washington.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. I have been trying to find out just how much efficiency is given by our employees, and in my judgment—which may not be worth much—I believe that the most important department of our Government to-day is the Budget Bureau. The next in importance to that is the Comptroller General, the office that we created here not long ago and to which we gave independent power, independent of politics. I happen to know, by the way, that in seven months after we created him he caused to be returned to the Treasury of the United States on the one item of transportation alone over \$500,000 which had been wrongfully paid out by one department. I regard him and his office as the department of our Government next in importance to the Budget. The third next in importance, in my judgment, is our Bureau of Efficiency.

Oh, I know it is safer to get up here and eulogize the splendid work of the Chief of the Bureau of Efficiency and then say that you are not his friend, but that you are for his efficiency just the same.

I know that is safer. Do you know why, and I offer no reflection? When the Congress saw fit to tell the policemen and the firemen of the District of Columbia that they could not affiliate with the American Federation of Labor—we did that and they are not now affiliating with it—this Chief of the Bureau of Efficiency came out in a signed statement at that time and said that that policy should be applied to every other employee of this Government. He said that it should apply to all of our employees if we expected full efficiency, and said further that you could not get the best efficiency from them where they maintained this union-labor affiliation; that they depended more on their affiliated cards than upon the quality of their service. That made him unpopular in Washington instantly, and I want to commend the chairman of the Committee on Appropriations for keeping him from being kicked out of office, because that is what would have happened to him if he and other friends on both sides had not stood by him.

Mr. MADDEN. We will stay behind anybody who performs his duty.

Mr. BLANTON. There has been a concerted effort to kick him out of office ever since and ruin him because he made that statement, and his statement is true. I do not believe that we have over 60 per cent efficiency in our Government service here. I do not believe we have that much. If I gave you my real belief, I would go down mighty low; but I say this, that what efficiency we do have is due more to the fact that we have this Bureau of Efficiency than everything else combined. I am not afraid to say that I am for that Efficiency Bureau, and I am for the splendid work that the chief of that bureau has done, and that I am his friend.

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

Except for one person detailed for part-time duty in the district office at New York City, no details from any executive department or independent establishment in the District of Columbia or elsewhere to the commission's central office in Washington or to any of its district offices shall be made during the fiscal year ending June 30, 1925; but this shall not affect the making of details for service as members of boards of examiners outside the immediate offices of the district secretaries. The Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees herein provided for to or from its office or field force.

Mr. HUDSON. Mr. Chairman, I raise the point of order on the paragraph read that it is a matter of legislation and has no place in the bill.

The CHAIRMAN. Does the gentleman from Indiana care to be heard on the point or order?

Mr. WOOD. Mr. Chairman, I desire to say that it is not subject to the point of order for this reason, that prior to this time the service rendered has been rendered by detail to the Civil Service Department. The former practice has cost this Government very nearly twice as much money as it ought to cost, because those detailed in many instances were for the purpose of doing work that could have been accomplished had the employees been directly under civil service for a less amount of money. So we have consolidated the two items and placed them all under the jurisdiction of the civil service, which will result in a saving of several thousand dollars a year to the Government, so it is the part of economy which we all want to see established.

The CHAIRMAN. That is the reason for the provision, but does the gentleman contend this is not legislation, changing existing law?

Mr. WOOD. The appropriation has been made to the other departments and the other departments have been making the payments. Technically it might be subject to a point of order, but I hope the gentleman will not insist upon it.

Mr. HUDSON. It seems to me very clearly subject to the point of order.

Mr. WOOD. Possibly that is true, but as I say it is technically so. This is simply taking money out of one pocket and putting it in another. As it is, it is a great waste of money.

Mr. HUDSON. It may be a saving, I am not conversant with that, but it surely is legislation here, and I maintain my point of order.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

For all printing and binding for the Commission of Fine Arts, \$300.

Mr. LaGUARDIA. Mr. Chairman, I move to strike out the last word.

My colleagues, at this point, while considering the section providing for the Commission of Fine Arts, I believe it is proper and fitting that we should pause a moment to pay tribute to a great American, a former member of this commission, who passed away on February 16, 1924, in the city of New York—Henry Bacon. This great American, who was not only known nationally but internationally known as a great architect and a famous artist, was dear not only to many members of this House who knew him intimately but to the entire world and to hundreds of thousands who visit the National Capital and gaze with admiration on the great Lincoln Memorial on the banks of the Potomac. Not many months ago the Nation's appreciation was expressed to Henry Bacon by the late President Harding in an appropriate and masterful address. The President pointed to the genius and the art of Henry Bacon as typified in the Lincoln Memorial.

I enjoyed the privilege of Henry Bacon's friendship, and like everyone who knew him I loved him. A more gentle and more modest soul never lived.

I take this opportunity to read a eulogy of the Rev. Karl Reiland, rector of St. George Church, of New York City, who was one of Henry Bacon's friends. The Reverend Doctor Reiland said:

In that great building in the city of London, St. Paul's Cathedral, on the banks of the Thames, is an inscription in the Latin language which reads, "Si monumentum requiris—circumspice," which means "If you are searching for a monument, look around you." In our own land on the banks of the Potomac is another great structure, and some time some one may say: "If for Henry Bacon you seek a monument, behold that building."

The Lincoln Memorial will stand as a shrine to Abraham Lincoln's memory. May I say also that it will henceforth stand as a symbol of Henry Bacon's soul. Its dignity, its majesty, and its beauty make one of his friends, perhaps all of them, think of that rectitude, of that strength, of that honor and sincerity which richly endowed his nature. It might be difficult to find one more enthusiastic for the fortunate and more sympathetic for the distressed. There was in him that happy flexibility and grace of personality which is made up of courtesy, simplicity, and humility; and as he went in and out among his fellow men he was like "the shadow of a great rock in a weary land." He distorted no large task by exaggeration nor disparaged a small one by neglect. There was in his nature no false ring; there was no withering disappointment. In the city of Washington, it is true, he built that great temple, yet it was made with hands, and will endure through the ages; but Henry Bacon built another temple of human worth, a building not made with hands—eternal in the heavens—it is the temple of the heart and of the life.

He was eminently one of those who "maintain the fabric of the world and in whose handiwork is their prayer." We surrender him to the everlasting arms of mercy, from whom no soul can possibly fall; we surrender him to "that bourne from which no traveler returns," but we will not surrender him from the harbor of our hearts, where he shall live in the unfailing love and abiding memory of his fellow men.

Thus he was known and loved by men of every calling in life. The confrères of his own profession esteemed him not only for his ability, his intellect, and attainments, but for his splendid, genuine manhood, generosity, and comradeship.

The American people are grateful to him for the gift of his genius. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

Mr. HUDDLESTON. Mr. Chairman, I move to strike out the last word. I want to say a few words with reference to the Federal Trade Commission.

Mr. WOOD. I suggest the gentleman wait until the Clerk reads that item.

Mr. HUDDLESTON. There will be a dozen Members who will want to talk then. I prefer to say a word now. Our existing system of trade is based upon competition. The essential function of the Federal Trade Commission is to force competition. The opposition to the commission comes from the interests that are not willing to compete, who desire to make an undue profit by monopolization and unfair trade practices.

The people of this country will not permit the present trade system to continue permanently unless we have in actuality what we have in theory—competition. The present system will not be permitted to continue unless the traders will compete.

The point to what I want to say is this, that those who are interested in preserving the present system ought to support the Federal Trade Commission both with appropriations and by such additional laws as are necessary to enable it to perform the function of compelling competition among those who do not want to compete. The choice is offered to the business men of America between competing in good faith or accepting a new system of trade. The choice is before them to compete or to enter upon the field of price fixing. Prices must be made in open and fair competition or they will be made by political authority. These gentlemen say they want to preserve our system of individualism. In practice a majority of them do not want to preserve it because they strike at every effort that is made to justify and authenticate it and keep it a proper system. They say that they favor individualism, but in reality they practice the collectivism of aggregated wealth, monopolization, and corporate power.

I believe in individualism, not unrestrained and riotous individualism, but a modern individualism tempered by political authority, and therefore I want to sustain the Federal Trade Commission. I do not think the time and conditions are ripe for the inauguration of a system of general price fixing. Be-

cause of that I want these men who are engaged in unfair trade practices to be forced to compete. It is upon the Congress to find the means whereby traders can be forced to compete. The fact is that the spread between what the consumer pays and what the producer receives has increased more than 100 per cent during the past eight years. The depressed condition of the agricultural interests of the country is not so much due to low prices of what they have to sell, but to the unduly high prices of the things they buy with the proceeds of what they sell. It is because prices have been manipulated, it is because of unfair trade practices, it is because men are exacting profits which are unjust and unreasonable. We must support the Federal Trade Commission, which is the only governmental agency which stands between those who would profiteer and those who have to buy. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

FEDERAL POWER COMMISSION

For every expenditure requisite for and incident to the work of the Federal Power Commission as authorized by law, including traveling expenses; per diem in lieu of subsistence; and not exceeding \$500 for press-clipping service, law books, books of reference, and periodicals, \$6,500.

Mr. BANKHEAD. Mr. Chairman, I desire to reserve a point of order against the amount carried in the section just read.

The CHAIRMAN. The gentleman from Alabama reserves a point of order on the paragraph.

Mr. BANKHEAD. I do so on the ground that it carries an appropriation in excess of that authorized by law. In analogy with the secretary of the Federal Trade Commission, an increase of \$1,000 is carried in this bill.

Mr. WOOD. I will say to the gentleman that the increase is not the act of the Committee on Appropriations. It was the act of the Reclassification Committee. The classification in which this gentleman is placed increased his salary \$1,000. We had nothing to do with that. It was by no act of ours that the increase was made. It was the result of the classification, and this man was placed in a classification where the minimum salary would be \$6,000.

Mr. BANKHEAD. I do not presume that the gentleman's committee went into the activities of this particular gentleman as set out by the gentleman from California [Mr. SWING] a few days ago in his speech to the House?

Mr. WOOD. No; but we did go into the activities of that department, and there is a very full account of what they have done in the hearings. The salary of the secretary is the only salary paid out of this appropriation. The pay of the working force comes from the Department of Agriculture, the Department of the Interior, and the War Department. This gentleman's salary was fixed under the reclassification law. He is placed in a grade where he gets \$1,000 additional.

Mr. BANKHEAD. What is that based on—the amount and character of his work, or his particular value, or what?

Mr. WOOD. I understand that in fixing these grades they take into account the amount and character of work and the responsibility. I am not familiar with the practices of the Reclassification Committee, but I understand their basis is the work done and the responsibility carried. They have one classification for the heads of bureaus, and another for those who occupy a less important position, and on down the line to the clerical force.

Mr. BANKHEAD. I think if the gentlemen made some investigation of the activities of this secretary they would find that he spends a great deal of his time in making himself a special propagandist for the power interests.

Mr. WOOD. Last year they came in before our committee with an elaborate program, having an overhead of \$50,000; but they got such a cool reception at our hands that their program was not pressed.

Mr. BANKHEAD. Then the gentleman thinks this increase is solely on account of the reclassification?

Mr. WOOD. Yes.

Mr. BANKHEAD. I withdraw the reservation of the point of order.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For all other authorized expenditures of the Federal Trade Commission in performing the duties imposed by law or in pursuance of law, including secretary to the commission and other personal services, supplies and equipment, law books, books of reference, periodicals, garage rental, traveling expenses, including actual expenses at not to exceed \$5 per day or per diem in lieu of subsistence

not to exceed \$4, newspapers, foreign postage, and witness fees and mileage in accordance with section 9 of the Federal Trade Commission act, \$680,200: *Provided*, That no part of this appropriation shall be used for investigations directed by the President or either House of Congress except those authorized by law: *Provided further*, That this limitation shall not apply to investigations in progress on April 1, 1924.

Mr. WOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD: Page 11, line 15, strike out the figures "\$680,200" and insert in lieu thereof "\$840,200."

Mr. AYRES. Mr. Chairman, I offer the following substitute for the amendment offered by the gentleman from Indiana.

The CHAIRMAN. The gentleman from Kansas offers a substitute for the amendment offered by the gentleman from Indiana. The Clerk will report the substitute.

The Clerk read as follows:

Amendment offered by Mr. AYRES as a substitute for the amendment offered by Mr. WOOD: Page 11, line 15, strike out "\$680,200" and insert in lieu thereof "\$940,000."

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Kansas.

Mr. WOOD. Does the gentleman from Kansas desire to be heard on his substitute?

Mr. AYRES. Yes.

The CHAIRMAN. The gentleman from Kansas is recognized.

Mr. AYRES. Mr. Chairman and gentlemen, the substitute I have offered, with the items already carried in the bill, makes the proposed appropriation the same as that of the current year. You will observe on page 11, lines 4 and 5, that the appropriation proposed for the salaries of the commissioners is \$50,000. Now, in the appropriation for the current year the appropriation is \$55,000. That was \$50,000 for the commissioners and \$5,000 for the secretary. The amount of the original appropriation—that is, the current year—for other expenses, instead of being \$680,000 was \$880,000. Now, adding to the \$880,000 the \$5,000 for the secretary to the commission it would make \$885,000, which is the amount that should be carried in this bill. The item of \$20,000 for printing and binding in the present bill is just the same as that in the current law. However, you will notice that there is nothing in the present bill for the bonus. The appropriation for the current year carried an item of \$55,000 for the bonus, and under the present arrangement, the classification act, it will be necessary to carry at least \$55,000 for increased salaries of the employees of the Federal Trade Commission; as much, at least, as was carried for the bonus in the current law. Therefore it is made necessary, in order to have the same appropriation for the year 1925 as for the current year of \$1,010,000, that the amount of \$680,000 should be changed to \$940,000. That would include, as I have already said, the \$5,000 for the secretary of the commission and the \$55,000 made necessary because of the increase of salaries under the classification act.

Now, I apprehend from what the gentleman from Indiana [Mr. WOOD] said on last Monday regarding the \$160,000, that it was based on the statement made by the commissioners to the effect that they could get along on \$160,000 in addition to the \$680,200. I want to state on what basis that statement was made, and I think the gentleman from Indiana will bear me out in what I am going to say; if not, there is certainly a misunderstanding, because I have talked with the members of the commission since that statement was made, which is on the theory that the commission at the present time would not consider any new business whatsoever; that is, on resolutions sent to them by the Congress or by the business world outside.

It could clean up the business on hand now on the docket with an increase of \$160,000 over and above the \$680,000. That means, gentlemen, it is to close its doors, you might say, and receive no additional complaints whatsoever, but simply take care of the business it now has on the docket. It is about 18 months behind at this time. If it should receive no new business whatsoever from any business institution outside, it could get along with \$740,000. I do not believe there is a Member of this House who is in favor of maintaining the Federal Trade Commission who wants to see it close its doors and refuse to receive and act on complaints which are and will be constantly coming to it during the fiscal year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. AYRES. Mr. Chairman, I would like to have five minutes more

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. AYRES. I presume the gentleman from Indiana, the chairman of the subcommittee, is going on the theory that if we pass the proviso contained in this bill—that any resolution which is passed by either branch of Congress must be a joint resolution carrying with it an appropriation sufficient to bear the expenses of the investigation—the commission can get along with less money, and that is true. But, in the first place, there is no certainty that this proviso will be passed. I have grave doubts whether the other body will agree to this kind of a proviso, and even if it did agree, you must take this into consideration: Should Congress send two or three joint resolutions providing for the making of investigations and they carried sufficient appropriation to bear the expense of making the investigations, this commission must be prepared to make them, and if there are not sufficient funds appropriated to enable them to carry an efficient force of experts to make these investigations the commission can not go out and get them within an hour's time, a day's time, or a month's time. That is one trouble the commission now has confronting it. It can not hold its experts because of salaries which are offered by institutions that are much greater than those offered by the Government. So it is necessary to have a sufficient appropriation in order to enable the commission to maintain an efficient force to carry on the investigations which the Congress would probably put up to them by joint resolution, assuming we can get the other body to agree to this proviso.

The commission has at this time, as I stated a few moments ago—and the hearings bear out that fact—enough cases docketed—which are very important matters and of which I spoke last Saturday, and I do not want to repeat what I said at that time—to take the commission's time for at least 18 months, and it will take fully that much time for the commission to catch up with the business it now has docketed.

Now, gentlemen, this is the only agency the Government has at this time to which fair business institutions and men can apply to be protected against unfair practices. We regret to say that the Department of Justice has not been functioning any too well for the last few years, and, as I say, this is really the only agency to which the fair business world can apply in order to remedy unfair practices.

As I said on last Saturday, the commission now has before it some investigations which it can not continue because of the lack of funds. It had to report back to the Senate that it could not go ahead with the bread investigation because it did not have the necessary funds with which to carry on that investigation.

I do not believe such a condition should prevail. I do not believe there is any member of the Appropriations Committee who desires to destroy this commission, and I am not intimating that the chairman of the subcommittee, the gentleman from Indiana [Mr. WOOD], has any desire to destroy it or to hamper it, but I feel that in his desire and zeal to economize he has asked that this appropriation be reduced in the manner and amount it is proposed to be reduced. It would certainly be a great mistake to hamper the work of this commission. There are other departments in which we can reduce expenditures, departments which are not as important as the Federal Trade Commission. I am very much in hopes that the substitute I have offered, which makes the present appropriation the same as the current year, will prevail.

Mr. BROWNE of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. BLANTON. Mr. Chairman, is there going to be any time given to those who are against this onslaught by the members of the committee to raise these expenses?

The CHAIRMAN. There has been just one speech on behalf of the substitute. The gentleman from Wisconsin [Mr. BROWNE] is recognized.

Mr. CARTER. Mr. Chairman, will the gentleman from Wisconsin suspend for a minute—without having it taken from his time—so that we may reach an agreement, if we can, about the time for debate?

The CHAIRMAN. Does the gentleman from Wisconsin yield for that purpose?

Mr. BROWNE of Wisconsin. Yes, if it is not to be taken out of my time.

The CHAIRMAN. That is understood.

Mr. CARTER. There is considerable demand for time on this paragraph from this side. I have requests for an hour's time.

Mr. WOOD. I do not think we should consume that much time in debating this paragraph.

Mr. BLANTON. All the speeches have been for these amendments.

The CHAIRMAN. There has been but one speech, and that by the gentleman who proposed the substitute.

Mr. WOOD. I do not want to shut off debate, but I think an hour on each side would be entirely too much. I would suggest one hour, and that would give 30 minutes to each side.

Mr. CARTER. We will try to get along with 30 minutes.

Mr. WOOD. To be equally divided.

MESSAGE FROM THE SENATE

The committee informally rose; and Mr. DARROW having taken the chair as Speaker pro tempore, a message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had passed bills and resolutions of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1568. An act for the relief of certain officers in the United States Army;

S. 2316. An act to allow credit in the accounts of A. W. Smith;

S. 2711. An act for the relief of the Pitt River Power Co.;

S. 2597. An act to authorize the construction of a bridge across the Fox River in St. Charles Township, Kane County, Ill.;

S. 667. An act granting to the State of Utah the Fort Duchesne Reservation for its use as a branch agricultural college;

S. 555. An act for the relief of Blattmann & Co.;

S. 668. An act to establish the Utah National Park in the State of Utah;

S. J. Res. 98. Joint resolution authorizing the President to extend an invitation for the holding of the Third World's Poultry Congress in the United States in 1927, and to extend invitations to foreign governments to participate in this congress;

S. 368. An act for the relief of Nelly McCanna, residuary legatee and devisee under last will and testament of P. F. McCanna, deceased;

S. 2506. An act authorizing an appropriation for the payment of claims arising out of the occupation of Vera Cruz, Mexico, by American forces in 1914;

S. 824. An act to establish and maintain a forest experiment station in the southern pine region of the United States;

S. J. Res. 7. Joint resolution granting permission for the erection of a monument to symbolize the national game of baseball;

S. 807. An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.;

S. 2825. An act to extend the time for commencing and completing the construction of a bridge across Detroit River within or near the city limits of Detroit, Mich.;

S. 2839. An act for the relief of George Turner; and

S. 2164. An act to repeal that part of an act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1912," approved March 4, 1911, relating to the admission of tick-infested cattle from Mexico into Texas.

The message also announced that the Senate had passed without amendments bills of the following titles:

H. R. 472. An act to authorize the deposit of certain funds in the Treasury of the United States to the credit of the Navajo Tribe of Indians and to make the same available for appropriation for the benefit of said Indians;

H. R. 2812. An act to authorize the Secretary of the Interior to sell certain lands not longer needed for the Rapid City Indian School;

H. R. 2877. An act providing for the reservation of certain lands in New Mexico for the Indians of the Zia Pueblo;

H. R. 6724. An act granting the consent of Congress to the counties of Sibley and Scott, Minn., to construct a bridge across the Minnesota River;

H. R. 2883. An act to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin;

H. R. 4117. An act authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz., and for other purposes;

H. R. 4803. An act to authorize the sale of lands and plants not longer needed for Indian administrative or allotment purposes;

H. R. 4804. An act to authorize the allotment of certain lands within the Fort Yuma Indian Reservation, Calif., and for other purposes;

H. R. 6943. An act granting the consent of Congress to the village of Port Chester, N. Y., and the town of Greenwich, Conn., or either of them, to construct, maintain, and operate a dam across the Byram River;

H. R. 4439. An act to amend section 71 of the Judicial Code, as amended; and

H. R. 6483. An act amending an act entitled "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes, approved June 28, 1906, and acts amendatory thereof and supplemental thereto."

The message also announced that the Senate had passed with amendment bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 2876. An act to provide for the payment of claims of Chippewa Indians of Minnesota for back annuities.

INDEPENDENT OFFICES APPROPRIATION BILL

The committee resumed its session.

Mr. CARTER. Mr. Chairman, I ask unanimous consent that all debate on these two amendments be concluded in one hour.

The CHAIRMAN. On the paragraph and all amendments thereto?

Mr. CARTER. On these amendments.

The CHAIRMAN. And not on the paragraph?

Mr. CARTER. On the amendments which have been offered. That all debate be concluded in one hour, one-half to be controlled by the gentleman from Indiana [Mr. Wood] and one-half by myself.

Mr. WOOD. And that is on the paragraph and all amendments thereto? I understand these are the only amendments to be offered.

Mr. CARTER. I understand some Members over here will probably offer another amendment to it, but one hour will be all right on the paragraph and the amendments. So I will amend the request, or suggest that the gentleman from Indiana make the request.

Mr. WOOD. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in one hour, one-half of the time to be under the control of the gentleman from Oklahoma [Mr. CARTER] and the other one-half to be under my control.

The CHAIRMAN. The gentleman from Indiana [Mr. Wood] asks unanimous consent that debate on this paragraph and all amendments thereto be limited to one hour, one-half of the time to be controlled by himself and one-half by the gentleman from Oklahoma [Mr. CARTER].

Mr. HILL of Maryland. Mr. Chairman, reserving the right to object, that means not only on the paragraph but the entire section, does it not, lines 4 to 21?

The CHAIRMAN. The request refers to the paragraph, lines 6 to 19, inclusive.

Mr. BLANTON. Reserving the right to object, Mr. Chairman, the gentleman from Indiana [Mr. Wood] has offered an amendment to increase this paragraph by \$160,000, and the gentleman from Kansas [Mr. AYRES] has offered an amendment to increase it \$260,000, and there has been already 15 minutes of debate, counting the 5 minutes to which the gentleman now on the floor is entitled to, all in favor of those amendments and none against them.

Mr. CARTER. The gentleman is mistaken. There has only been 10 minutes debate.

Mr. BLANTON. There was five minutes debate by the gentleman from Kansas and five minutes by the gentleman from Indiana, and five minutes will now be used by the gentleman on the floor who has already been recognized and who favors the increases.

Mr. CARTER. The gentleman from Indiana had not opened his mouth. The gentleman from Kansas has used 10 minutes, and that is all the debate that there has been.

The CHAIRMAN. For the information of the committee the Chair will state that there has been but one speech on the amendment of 10 minutes.

Mr. BLANTON. That 10 minutes, together with the 5 minutes that will be used by the gentleman already recognized, will make 15 minutes in favor of the increase. But, Mr. Chairman, the time ought to be divided equally for and against. The gentleman from Oklahoma is for this amendment, and the gentleman from Indiana is for increasing the amount. Those who are against increasing the amount ought to have a fair division of time, and the other side ought not to control all the time for the whole hour. There ought to be somebody in control of half of that time who is against these amendments.

Mr. BYRNS of Tennessee. May I ask the gentleman a question?

Mr. BLANTON. Certainly.

Mr. BYRNS of Tennessee. Does the gentleman know of anybody else in the House who is against both of these amendments but himself?

Mr. BLANTON. That does not make a particle of difference. In all legislative bodies those who are for and those who are against a proposition are entitled to an equal division of time.

Mr. CARTER. Mr. Chairman, if we are to have an equal division of time, I submit, in all fairness to the gentleman from Texas, that there has been an hour's time taken up in debate, and the gentleman from Texas has taken 30 minutes of that time.

Mr. BLANTON. Well, it is good there should be somebody to take up some time in preventing these increases.

Mr. CARTER. But it is good there should be some one else allowed to speak occasionally besides the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, I object.

Mr. WOOD. Mr. Chairman, I move that all debate on the paragraph and all amendments thereto close in one hour, one half of the time to be at the disposal of the gentleman from Oklahoma [Mr. CARTER] and the other half to be controlled by myself.

Mr. BLANTON. Mr. Chairman, I make the point of order that there has been no debate whatever against this amendment.

Mr. CARTER. There has been debate on the amendment, and that is all that the rules require.

The CHAIRMAN. The point of order in that respect is not well taken, but there can be no agreement as to division of time in committee.

Mr. WOOD. Mr. Chairman, I move that debate on this paragraph and all amendments thereto close in one hour, and I will divide up the time myself.

Mr. BLANTON. The gentleman can not divide up the time himself under such a motion.

The CHAIRMAN. The gentleman from Indiana moves that all debate on this paragraph and all amendments thereto close in one hour.

The question was taken, and the motion was agreed to.

Mr. BROWNE of Wisconsin. Mr. Chairman and gentlemen of the committee, the Appropriations Committee has cut the Federal Trade Commission appropriation \$199,800 in this bill. All the other departments that this bill appropriates money for are cut in the aggregate only \$41,000 in round numbers. All the retrenchment seems to be made on the Federal Trade Commission. It is not pointed out in the report and I have not heard anyone point out any extravagance by the Federal Trade Commission. The lawyers employed by it, who compete with the greatest lawyers in the country, certainly do not receive high salaries. The average salary paid to the lawyers in the Federal Trade Commission is only \$3,800. All of you remember what we paid some of the Shipping Board lawyers. We paid several of them as high as \$30,000 per year, and yet the Federal Trade Commission, which is doing more practical efficient work for the people of this country than any other commission we have in the Government, is being starved to death to-day. For my part, I would be in favor of increasing the appropriation by a considerable amount instead of reducing it. The accountants of the Budget Bureau took out their sharp pencils and looked over every item of the appropriation for the Federal Trade Commission and only cut it down a very small amount, and yet the Committee on Appropriations cuts the appropriation for the commission \$199,800, and the entire appropriation bill is only cut, outside of this item, about \$41,000.

I wish some one who favors this drastic reduction would come here and give a bill of particulars as to what investigations the Federal Trade Commission has made or is making that it ought not to make. Tell us where they have spent money that they should not have spent. People seem to be very sensitive, some people at least, in some constituencies in regard to investigations, but I believe that the investigations that are going on to-day in Congress, both in the House and in the Senate, are very beneficial, and I believe they should be carried out. They are getting splendid results. [Applause.] I believe if there is corruption in this Government we ought to bring it out and let the people see it and let the guilty people, regardless of politics, be punished.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BROWNE of Wisconsin. Certainly.

Mr. LAGUARDIA. In answer to the criticism about the investigations, there will be found on page 5312 of the Record in an extension of remarks by my colleague from New York [Mr. GRIFFIN], a complete list of every investigation conducted by the Federal Trade Commission.

Mr. BROWNE of Wisconsin. In a report which I have in my hand there is a list of some of the investigations that the Federal Trade Commission is making now, and I want to ask the gentlemen who follow me and the members of the committee who are in favor of this drastic cut in the Federal Trade Commission's appropriation, which one of these investigations they want discontinued. Let us see what the Federal Trade Commission is doing now. On June 30, 1923, the commission had cases in the courts against the following-named corporations: In the Supreme Court of the United States, cases against the Curtis Publishing Co., the Aluminum Co. of America, the Moline Oil & Manufacturing Co., the Gulf Refining Co., the Sinclair Refining Co., Standard Oil Co. of New Jersey, Raymond Bros. Fruit Growers' Express, American Tobacco Co., and so on. I could read for 15 minutes here the cases that are now pending in the courts before the Federal Trade Commission, and I want some of you gentlemen who are in favor of this drastic cut to name some of these suits that are pending and some of these investigations that are pending that you would want discontinued.

Mr. MERRITT. Will the gentleman yield?

Mr. BROWNE of Wisconsin. Certainly.

Mr. MERRITT. I suppose the gentleman noticed that the Supreme Court the other day ruled against the Federal Trade Commission in making a general fishing excursion and trying to find something to prosecute.

Mr. BROWNE of Wisconsin. I admit they have, in some cases, but I will state to the gentleman that if you will take the cases which the Federal Trade Commission has had in court, you will find that 75 per cent of their cases that have gone to the United States Supreme Court have been affirmed by that court.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BROWNE of Wisconsin. I will.

Mr. LAGUARDIA. Is it not true that in the case referred to by the gentleman, the case was properly initiated and the commission had to proceed under the law?

Mr. BROWNE of Wisconsin. Certainly.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BROWNE of Wisconsin. Mr. Chairman, I ask for five minutes more.

Mr. CARTER. Mr. Chairman, can that be done now?

Mr. BROWNE of Wisconsin. Then I ask the gentleman to yield five minutes more to me.

Mr. CARTER. I am sorry I have not the time.

Mr. LAGUARDIA. I ask unanimous consent that the gentleman may be allowed to proceed for five minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that he be permitted to proceed for five additional minutes. Is there objection?

Mr. CARTER. Mr. Chairman, I would regret to have to object, and I do not think that is quite a fair request under the circumstances.

Mr. KING. I hope the gentleman will not force me to make the point of order of no quorum.

Mr. CARTER. I do not care whether the gentleman makes it or not. I object, if the gentleman feels that way about it.

Mr. BYRNS of Tennessee. Reserving the right to object, Mr. Chairman, let me call the attention of my friend from Wisconsin to the fact that the time has been limited to one hour, and I suppose there are 15 or 20 gentlemen who would like to talk on this proposition and I think none of them ought to ask for more than five minutes.

Mr. CARTER. I have agreed to cut my time down from 15 minutes to 5 minutes, and two other gentlemen on this side have agreed to cut their time down from 10 minutes to 5 minutes, and three other gentlemen have been cut off completely. Of course, if the gentleman from Wisconsin had made known his desire when the time was fixed, we could have asked for more time.

Mr. BROWNE of Wisconsin. In reply to the gentleman from Oklahoma, I supposed in an important matter of this kind, the most important item in the bill, where the appropriation has been cut \$199,000 and the rest of the bill only \$41,000, I supposed there would be a fair time for consideration.

Mr. CARTER. I agree with the gentleman thoroughly.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. CARTER. I object.

Mr. KING. Mr. Chairman, I make the point that there is no quorum present.

The CHAIRMAN. The gentleman from Illinois makes the point that no quorum is present. The Chair will count.

Mr. KING. At the suggestion of my friend from New York [Mr. SNELL], who says there is a quorum present, I withdraw the point.

Mr. BROWNE of Wisconsin. Mr. Chairman, I ask leave to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Wisconsin asks leave to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, the Committee on Appropriations has already provided this commission with \$680,200 for expenses. That is in addition to \$50,000 for their salaries and \$20,000 more for printing, and now the acting chairman [Mr. WOOD], in charge of this bill, from the floor offers an amendment to increase that amount \$160,000 more. Another member of the committee, our distinguished friend from Kansas [Mr. AYRES], raises his ante a little and wants to add \$260,000 more. I think that the \$750,000 which this bill already gives this commission is enough. It seems we can not find any other man here to speak against these amendments, so I must do it. I do not care if I am the only one, I am going to speak against such proposed increases every time a proposition of this kind comes up. I may be wasting your time, gentlemen, but I am going to do it just the same, as a feeble protest against the continual waste of the people's money. We have too many commissions already and we ought to abolish them instead of continuing them and giving them these great sums of money every year.

I want to show you some of them that we have provided for in this bill. Here are five commissioners drawing \$10,000 each. Then we have the Housing Corporation.

Mr. BANKHEAD rose.

Mr. BLANTON. I have only five minutes and can not yield, and I want to say to my colleague here that I am given only five minutes, and the other hour and five minutes is to be taken up by those in favor of the amendments. That is not a fair division of the time.

As I was saying, we have the Housing Corporation that is given \$50,000. Instead of wasting that \$50,000 we ought to abolish that commission. This Housing Corporation was a war-time proposition and we ought not to continue it here five years after the war is over. We ought to stop it. Then we have in this bill the Interstate Commerce Commission, with 11 commissioners at \$12,000 a year each, and all of its contingent expenses. Then a little farther on in the bill we are giving the National Advisory Committee for Aeronautics \$427,000. Then we are giving nine members of the Railroad Labor Board \$10,000 a year each. Their decisions after they are written are not worth the paper they are written on. They can not enforce their decisions; they are no good. Why do not we abolish that board? It is useless. It ought to be abolished, or we ought to put teeth in their decisions and make the decisions worth something and enforceable.

The CHAIRMAN (Mr. SNELL). The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask for five minutes more, Mr. Chairman.

Mr. KING. I object.

Mr. BLANTON. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. In all legislative bodies the time for and against a proposition is equally divided. That rule exists in all parliamentary bodies. I seem to be the only one against these two propositions to increase this sum \$260,000, as no one else has asked for time. I insist that I am entitled to more than five minutes under the rule.

Mr. CARTER. Mr. Chairman, I want to be heard on the point of order. I want to show what that would lead to in this House. If the Chair should decide that the point of order is well taken, the result would be that any man at any time, who liked to talk as well as the gentleman from Texas does, would always oppose a bill and get half of the time, if it was 150 hours.

Mr. BLANTON. That does not destroy the rule. I am simply performing an arduous duty and it is hard work, not pleasure.

The CHAIRMAN. The Chair will use his discretion and divide the time as evenly as possible. The time has been limited by unanimous consent.

Mr. BLANTON. There was no unanimous consent.

The CHAIRMAN. The time has been limited by order of the committee.

Mr. BLANTON. There is no one else seeking recognition in opposition to these increases of \$260,000, and there has been 15 minutes used in favor of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BYRNS].

Mr. BLANTON. The court will note my exception. [Laughter.]

Mr. BYRNS of Tennessee. Mr. Chairman, I favor the amendment offered by the gentleman from Kansas [Mr. AYRES]. As explained by the gentleman from Kansas, if that amendment is adopted it will do no more than to provide the Federal Trade Commission for the next fiscal year with the amount allowed it for the current year. If the amount provided in the amendment of the gentleman from Indiana is adopted it reduces the current appropriation in the sum of \$100,000. I do not think that Congress can afford to do it, nor do I believe Congress is in favor of crippling the only organization or institution of the Government that was created for the purpose of investigating antitrust violations and bringing about as far as it can fairness in trade.

As the gentleman from Alabama [Mr. HUDDLESTON] well said a few moments ago, this is the only institution of your Government that stands between the profiteer and those conditions which prevail over the country now on account of extortionate prices. I shall consume the few minutes at my disposal by reading to you what Mr. Thompson said with reference to some of these investigations. He said in the first place that under the present appropriation the work would have to stop under normal conditions in May, and yet we ask only that he be given the same appropriation for the next year. Let me call the attention of the gentleman from Texas [Mr. BLANTON] to the following statement of Mr. Thompson, which shows that the Federal Trade Commission is going to do something for the farmers of this country, in whose behalf the gentleman has so often shown interest. He says:

We issued a complaint in what is known as the farm implement case within the last two weeks. That covers a price-fixing combination all along the Atlantic coast of jobbers, together with the manufacturers, who refused to sell to farmers' organizations on the same basis as they sell to the jobbers' groups, although the terms are exactly the same, and they insist on maintaining the retail prices. That is the charge that is made in that case. That case, because of a lack of men to go into the thing and accomplish it, had been dragging along for four or five years before we could issue our complaint.

I could give you a dozen cases like that right now, naming you specific examples of cases where we will have to proceed with our work like that.

Mr. BLANTON rose.

Mr. BYRNS of Tennessee. I am sorry, but I can not yield. Yet the gentleman from Texas [Mr. BLANTON] would not only refuse to give them the appropriation proposed by the gentleman from Indiana [Mr. WOOD], but he would actually reduce them in the sum of about \$260,000 and odd from the amount of money they are provided with this year. It would deprive the farmers of this relief from the Farm Implement Trust. Let me read to you another statement of Mr. Thompson in answer to a question by Mr. WASON:

Mr. WASON. And such delays as that mean a great deal to the manufacturing and business interests of the country as well as to the consumers, does it not?

Mr. THOMPSON. Sometimes it means utter annihilation. I can give you an example of that. In Los Angeles there were 600 retail grocers joined together to buy in wholesale quantities. The jobbers got together with the manufacturers and threatened the manufacturers that if they sold to this cooperative organization they could not do any business through them—the jobbers. That case was tried. It was appealed, and it went up to the circuit court of appeals, and we were sustained, but we got in so late that they wrecked the cooperative buying organization before we could obtain the court's order. That organization died.

That organization died, an organization that was created for the purpose of aiding the consumers of groceries in the city of Los Angeles. It died because the commission did not have a sufficient appropriation. I dare say that many cases of similar import could be cited throughout this country if the opportunity were presented to Mr. Thompson to fully set forth what this commission has been doing. I have not the time to read to you from the hearings in respect to the many cases that they have investigated and brought to the attention of the courts, but I say to you, as I said in the beginning, that this is the only institution of your Government which was created and which is now attempting to stand between the profiteers of the country and those who seek to place extortionate prices upon the consumers. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired. The Chair recognizes the gentleman from Texas [Mr. HUDSPETH].

Mr. BLANTON. Mr. Chairman, I rise to a point of order again.

The CHAIRMAN. What is the point of order?

Mr. BLANTON. I make the point of order that some one is entitled now to recognition against the measure, there having been another speech for.

The CHAIRMAN. The gentleman has already spoken once under the five-minute rule.

Mr. BLANTON. I raise the point of order that some one under the rules of the House is entitled to be heard in opposition to this.

Mr. TREADWAY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair thinks that the matter of recognition is within the discretion of the Chair. The Chair recognizes the gentleman from Massachusetts.

Mr. TREADWAY. Mr. Chairman, I am opposed to the amendment offered by the gentleman from Kansas [Mr. AYRES] and regret to say that I am in favor of the one offered by the gentleman from Indiana [Mr. WOOD]. It looks to me like a choice between two evils. Personally, I am not in sympathy with any effort to increase the appropriation for the Federal Trade Commission. The gentleman who has just spoken, who has such intimate knowledge of the affairs of the Committee on Appropriations, and is so able in his description of matters pertaining to it, takes as his chief witness the man who is in charge of this work most to be benefited by the additional appropriation. That is not very good evidence, to my mind. It is very partial evidence. It is the evidence of the head of the bureau that is trying to get this extra hundred thousand dollars for what they consider very important work and for what I consider very useless work, absolutely useless. I stated on the floor some days ago that the one purpose of this commission is not to prevent unfair dealing in business matters, but to hamper business people. As an illustration, I happen to know a little something about the paper industry. It is one of the big industries in my section. They have been hampered to death by the inquiries of the Federal Trade Commission about matters in no way having to do with anything for the benefit of the public—statistical information they must have in this bureau to aggrandize themselves, and nothing else. They do not claim that any of that information was to be used in any form of prosecution. They did not even go so far as in many cases they have and make out the industry to be criminal to start with, because when they make these charges of conspiracy that is what they are doing to an industry. They are spreading the propaganda before the country that they are conspiring against the welfare of their fellow citizens; a ridiculous proposition, always so.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. KING. I am just wondering if the gentleman is not forgetting the great speech that he made on the coal situation.

Mr. TREADWAY. My time is so limited to-day that I can not touch on the coal question. At some future time I shall again refer to the coal subject for the benefit of the gentleman from Illinois, because there are many things yet to be said that have not been said. I do wish to refer to the kind of investigations that the Federal Trade Commission seems to think it is their duty to perform. Their very report shows how futile those examinations are. They do not get anywhere; they do not benefit anybody. They simply bring in a report that they have told somebody to desist from doing something they thought ought not to be done; and then whether or not these people desisted no one knows and there is no way of knowing, and there was probably no reason why the enterprise should desist in any event. Here is an illustration. A paper manufacturer in my district had a trade-mark known as "Danish Linen." What did this board do? That paper was not an imitation of anything sent here from Denmark. We do not need to go to Denmark or any other country in our institutions in Massachusetts, but because the word "Danish" was there, a copyrighted trade-mark, they said that it was unfair competition. Could there be anything more ridiculous than investigations that have that sort of thing for their object? Another trade-mark of a make of paper was the name "Highland Linen." This inquisitorial board went so far as to argue that the use of the word "Linen" was a trade deception—probably that people would consider they were writing on linen instead of on paper. The commission insisted that the watermarks should be changed and the words added "Fabric Finish." I am opposed to the amendment offered by the gentleman from Kansas.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and ten gentlemen are present, a quorum.

Mr. HUDSPETH. Mr. Chairman and gentlemen of the committee, my friend from Massachusetts [Mr. TREADWAY] in his remarks against this measure on last Tuesday stated that "If the Federal Trade Commission is all the eyes that the people of this country have, they are certainly badly blindfolded ever since the organization of this commission." The gentleman further states that it had never been of any benefit to the public in any manner whatsoever. I am quoting his exact remarks. I wondered at the time if the gentleman had reference to an investigation of the shoe manufacturers—I do not know whether the gentleman has any of those in his district—by this commission that developed a trust in the manufacture of shoes and the raising of the price to every wearer of shoes from 10 to 25 per cent when the old farmer on the range could not get a sufficient price for the hide to justify his skinning the animal. [Applause.] I wonder if the gentleman had reference to the shoe manufacturers of that section—

Mr. TREADWAY. Will the gentleman from Texas yield?

Mr. HUDSPETH. For a brief question.

Mr. TREADWAY. I had not that investigation in mind; but if they have not accomplished any more for the shoe wearers than they have accomplished for the consumers under the coal investigation, they did not do anybody any good.

Mr. HUDSPETH. The gentleman goes off on the coal proposition. I am going to hold the gentleman to the investigation of shoe manufacturers, where it was shown that they had raised the prices to an unjustifiable extent to the consumers, and a man, as I stated, who had an animal to die or butchered it for home consumption would not skin it because he could not get a sufficient price for the hide to justify it; and I suspect my friend from Massachusetts was instrumental in his not getting a small duty on those hides, but I am sure he voted for a fat duty on manufactured leather goods. Is that his idea of fairness?

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. HUDSPETH. Briefly.

Mr. COOPER of Wisconsin. Is it not true, in reply to what the gentleman from Massachusetts said, that the commission simply ascertains the facts and reports them to the Congress and the people.

Mr. HUDSPETH. That is true.

Mr. COOPER of Wisconsin. And they do not attempt to apply a remedy.

Mr. HUDSPETH. They can not do it, and I want to state they have gone into court and they have instituted 128 proceedings this year and have been sustained by the circuit court of appeals and the supreme court in 78 cases. The gentleman stood here the other day and said they had never been sustained in a single case, as I recall. In reply to my colleague from Texas [Mr. BLANTON], who seems to be very antagonistic to the Federal Trade Commission, I wonder if he remembers the investigation made of the Southern Hardware Association, that raised the price of farm implements in his district 25 per cent to every farmer in the seventeenth district? I wonder if he remembers the investigation of that combine that raised the price of the farm implements? And this same Federal Trade Commission exposed the unfair methods of this combination.

Mr. BLANTON. I had in mind the fact that when gasoline was selling in Fort Worth at 11 cents and 18 cents at Waterford we did not get relief from that situation.

Mr. HUDSPETH. Upon order of the President, at this very moment they are making an investigation of the gasoline trust. Now, I want to state to my friend from Texas according to the testimony of Mr. Thompson it shows they have funds to put only 15 men in the field in order to investigate this great trust, when they should have 45 men, and you, the gentleman from Texas, are hampering them in opposing this amendment of the gentleman from Kansas. The gentleman from Texas, in his opposition to this appropriation, is aiding this very trust, if one does exist, whether he wills it or not.

Mr. CARTER. Will the gentleman yield?

Mr. HUDSPETH. I will.

Mr. CARTER. I just want to suggest this to the gentleman, that this commission has no right to legislate, but only recommendatory powers. The right to legislate is left to the Congress, and if Congress does not do so it is not the fault of the commission.

Mr. HUDSPETH. That is exactly true, I will state to my friend from Oklahoma. I want to say to the gentleman from Texas that he has a lot of woolgrowers in his district, and I want to ask him if he remembers the case of the Winsted Hosiery Co., probably located in or somewhere near the district of my friend from Massachusetts [Mr. TREADWAY], where

It was shown in that case that what they were selling as all-wool garments, or virgin wool, and the Federal Trade Commission got after them and had the Bureau of Standards make an analysis, and found that the goods contained only 10 per cent wool and 90 per cent cotton. Does the gentleman remember that?

Mr. BLANTON. I am for giving them the \$680,000, but not for giving them the \$900,000.

Mr. HUDSPETH. The gentleman is hamstringing them and adding and obstructing the work of one of the most, if not the greatest, agency for good to all the people excepting those who form trusts and violate the antitrust laws in this Government. Let me cite the gentleman to another case, Guarantee Veterinary Co. v. Federal Trade Commission (285 Fed. C. C. A., second circuit). This company was selling stock salt for livestock, and claiming that the beach salt contained 16 specified medicinal ingredients and had been adopted by the Quartermaster Department of the United States. The Federal Trade Commission got after them. Had this "Sal-Tanik" salt analyzed, found no trace of 10 of the 16 ingredients, and developed the further fact that it never had been adopted by the Quartermaster Department. Is the gentleman opposed to exposition of such fakery that prey upon his constituents and mine? I am in favor of giving this commission every cent they have asked for. They have not wasted a dollar and have been sustained in 90 per cent of the cases taken up to the circuit and Supreme Court. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present. I think we need more Members to hear gentlemen.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and nine Members are present, a quorum.

Mr. WOOD. Mr. Chairman and gentlemen of the committee, there is no occasion for any hysteria about this business, and I was of the opinion when in the whole committee in reference to this item that we were in perfect agreement, and I confess I am a little bit surprised at gentlemen on the committee here trying to raise this figure above the amount that was proposed should be adopted.

Mr. CARTER. Does the gentleman intend to say I did not give notice to the committee, or the gentleman from Kansas and several others did not give notice—

Mr. WOOD. It was understood at a meeting, after conversation with the heads of this concern, to adopt the amendment which is proposed. Now, I have before me a letter from these gentlemen in which they say that \$160,000 will be sufficient, and I suppose they know more about their business than anybody else. Now, I can not see why you are trying to add an additional \$100,000 under this arrangement.

We are proposing to give them exactly what they want. Now, some one has inquired here whether or not this commission has been directed to expend money to make investigations which were not warranted by law. I want to call attention to one that is going on now. This is what is known as the national wealth investigation.

That resolution is as follows:

Resolved, That the Federal Trade Commission is hereby directed to make an inquiry into, and to compile data concerning, the total amount of the chief kinds of wealth in the United States, including land, improvements, movables, and other tangible and intangible goods, and also the ownership thereof and the various liabilities incumbent thereon, including public and private debts of various kinds, corporation stocks, and other choses in action; and to make inquiry into and compile data concerning the amount of the annual increase in national wealth in recent years in different lines of economic activity and of the income received by different classes of the population, including data as to the amount of the income from securities exempt from taxation under the Federal income and profits taxes; and to make report on the aforesaid matters as soon as practicable: *Provided*, however, That in respect to such data no information shall be reported or published which would reveal the amount of wealth, property, indebtedness, or income of any person, partnership, or corporation.

They have already expended \$40,127 on that investigation, which is entirely unwarranted by law, and there are a number of others, but I have not the time to cite them to you. If these gentlemen will confine themselves to the duties prescribed under the statute, they will have plenty of money; and if they will but expend the money we give them for the legitimate investigation of things that come to them within the purview of the law and not take the money and apply it in raising their salaries, they will have plenty of money.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I regret I have not the time to yield. But I do wish to say to gentlemen on this side, who seem to be so anxious to increase this appropriation while they have consistently fought other appropriations, it is strange to me what the actuating cause is. We are all concerned here in saving money to the Government, yet you are voluntarily proposing to give \$160,000 more than is necessary for this commission to conduct the legitimate business for which they were created. It is not my purpose to do a single thing to hamper this commission. I have been here time and time again when that commission did not have a defender in this body.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD. Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. OLIVER of Alabama. Mr. Chairman, the gentleman from Indiana [Mr. WOOD] seems to feel that the committee agreed to the amount which, by an amendment, he now seeks to increase the appropriation to. In this I think the gentleman is in error. There was an understanding on the part of the committee that the amount carried in the bill was probably insufficient, and that it could be increased from the floor of the House after further inquiry was made by members of the committee.

The cut in the 1925 appropriation was recommended by the subcommittee for the reason that practically all of the amount represented by the cut was expended by the Trade Commission in the investigation of matters under special resolutions from the House and Senate, which matters were outside and in addition to the regular work of the commission. The subcommittee undertook to limit the investigations, which the commission can hereafter make to those, which existing law authorizes, unless further appropriations are made for special investigations asked for by Senate or House resolutions.

Since the bill carries an amendment seeking to thus limit the Trade Commission in its investigations, the subcommittee reached the conclusion that they could deduct from the appropriations authorized for the current year the amount which the commission admitted had been expended on special investigations for the Senate and House.

When it appeared that this was the reason why the subcommittee had made the deduction in the current appropriation, the question was asked the chairman of the subcommittee [Mr. WOOD] whether he had inquired of the commission to what extent the spending of this large sum on special investigations had interfered with and hampered the carrying on of those investigations which the commission was by law clearly authorized and directed to make? He frankly replied that he had not, and it was because of the lack of this information that the amount of this appropriation was left open.

It now appears that the gentleman from Indiana [Mr. WOOD] and, I understand, the gentleman from Illinois [Mr. MADDEN] have interpreted a letter received by the gentleman from Illinois [Mr. MADDEN] from the Trade Commission as indicating that the commission will not need exceeding \$160,000 over that now carried in the bill and which the amendment offered by the gentleman from Indiana provides. The letter to the chairman of the committee, however, plainly states that \$160,000 will be needed to complete the presidential and congressional work now on hand, and the commission, in a subsequent letter to Mr. AYRES, a member of the committee, states that the \$160,000 had no reference whatever to the amount which the commission estimated would be necessary to carry on its regular activities, other than the investigation work now pending.

Neither the inquiry of the gentleman from Indiana [Mr. WOOD] nor the response of the commission to such inquiry referred in any way to the amount which would be required by the commission to carry on its regular work. The commission makes it very clear in a subsequent letter that it would be seriously hampered in carrying on the regular work of the commission if the appropriation is only increased by \$160,000.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. AYRES. And if they had that increase only, they would have insufficient funds to carry on new work?

Mr. OLIVER of Alabama. Yes; the letter from the commission to the chairman of our committee had reference only to

the amount necessary for the commission to complete investigations now under way during the next fiscal year, and was based on the assumption that no special investigations of like character would be required during the next fiscal year, unless further appropriations were provided therefor. The commission made it plain in their letter to you [Mr. AYRES] that they must have more money if their regular work was to be efficiently carried on.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield? Mr. OLIVER of Alabama. Yes.

Mr. HUDSPETH. It was stated by Mr. Thompson and other gentleman on the commission that with the appropriation provided by the gentleman from Indiana they would have to close up shop during the months of May and June. Is that correct?

Mr. OLIVER of Alabama. Yes; the letters from the Trade Commission to the chairman of the committee and to Mr. AYRES, when considered together, make clear what the commission feels will be the amount needed to carry on the work now in hand and the regular work of the commission during the next fiscal year. The gentleman from Kansas [Mr. AYRES] seeks to provide the necessary amount in the substitute he offers for the amendment offered by the gentleman from Indiana [Mr. Wood]. Since the committee cut the current appropriation under a wrong impression, and since it now appears that the commission can not efficiently function without an appropriation at least equal to that for the present fiscal year, I hope the House will vote for the increased appropriation asked for in the amendment offered by the gentleman from Kansas [Mr. AYRES]. The work of this commission is too important to be hampered, and I can not feel that it is the desire of the House to in any way discourage the commission in carrying on its important work. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. MADDEN rose.

Mr. BLANTON. Mr. Chairman, I think the gentleman should have a better audience. I suggest the absence of a quorum.

Mr. MADDEN. I hope the gentleman will not do that.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and fifteen Members are present. A quorum is present. The gentleman from Illinois is recognized.

Mr. MADDEN. Mr. Chairman and gentlemen, when the pending bill was under consideration before the Committee on Appropriations it was disclosed that probably the bill did not carry enough money to enable the Federal Trade Commission to carry on all the work it was ordered to carry on, either by resolution or by law.

The chairman of the committee suggested to the members of the committee that it might be better, before we added anything to the bill, for the chairman to call the Federal Trade Commission down for consultation. The Federal Trade Commission came to my office. The chairman of the subcommittee was present at the meeting, and Mr. Thompson, who I understand is chairman of the Federal Trade Commission, and one of his associates were asked to report the amount that would be required to enable the commission to make the investigations provided for by resolutions of either House or by order of the President. I have a letter from Mr. Thompson, chairman of the commission, which reads as follows:

Pursuant to a request made by your committee to Commissioner Van Fleet and myself at the hearing yesterday, I have taken up with the commission the matter of its requirements for the next fiscal year to complete presidential and congressional work, and have been requested to advise you that the commission estimates that this work will cost \$160,000.

To cover the amount indicated in this letter the gentleman from Indiana [Mr. Wood] has offered an amendment.

The letter goes on the say, further:

This estimate does not include any work in connection with the resolution recently passed by the Senate directing the commission to investigate the bread and flour industry. You will remember that the commission informed the Senate that it was unable to commence the bread inquiry without incurring a deficiency.

Now, gentlemen, many of the resolutions passed by either the House or the Senate have required investigations to be made that are not contemplated in the law, and the Committee on Appropriations—I think, wisely—has provided a restriction that no part of this appropriation shall be used for investigations directed by the President or either House of Congress

except those authorized by law, and have cut out, as I understand, \$315,000, less \$63,000, which otherwise might have been appropriated but for this restriction.

I was fearful, as chairman of the committee, that the subcommittee had restricted the commission too closely, and I was anxious that this committee and the House, or the Senate, or both, or all should in no wise embarrass the Federal Trade Commission in the discharge of its duties; so I suggested to the full committee that I be authorized to send for these men, and when they came we went fully into all the questions involved, and the letter I have read is the result of the council held in the office of the chairman of the Appropriations Committee.

I understand that since then the Federal Trade Commission has sent a letter to one of our colleagues on the Appropriations Committee, the gentleman from Kansas [Mr. AYRES], setting out that they need \$100,000 more than the amount set out in the letter to me. I do not know why they felt the necessity of sending two communications. What we want to do is to see that the work with which the commission is charged is properly performed, and I do not want, as chairman of the committee, to in any wise embarrass their work, but I think the commission ought to have stability enough to know its own mind, and when it sends a letter to the chairman saying \$160,000 is what it wants, it ought to be compelled to stand on that.

The CHAIRMAN (Mr. LEHLBACH). The time of the gentleman from Illinois has expired.

Mr. CARTER. Mr. Chairman, the difference of opinion about this proposition, in my opinion, comes about solely on account of the misunderstanding or misconstruction which the gentleman from Indiana [Mr. Wood] has placed on the words of Chairman Thompson.

In the subcommittee the gentleman from Indiana, Chairman Wood, asked Chairman Thompson how much these investigations ordered by the separate Houses of Congress, the President, and so forth, had cost. Mr. Thompson's reply was \$315,000. The amendment of the gentleman from Indiana proposes to deduct from the total in accordance with that statement, but the gentleman should remember that at the time Chairman Thompson replied to this question we had then under discussion not only investigations not authorized by law as covered by his proviso to this item but we were talking then of all character of investigations, those made in accordance with law and those claimed by the gentleman from Indiana to have been made not in accordance with law, and Chairman Thompson's response that \$315,000 had been used for that purpose applied not only to investigations which the gentleman now proposes to stop by this bill but to all investigations, both in accordance with law and those, according to his contention, not in accordance with law, which had been ordered by the House, Senate, and the President.

A fair construction of that portion of the hearings would seem to show that Chairman Thompson included even more than that in his reply. The chairman has cleared that up in a subsequent statement, and this is what he says:

It should be noted, however, that the \$315,000 included investigations at the request of the President, both Houses of Congress, the Attorney General, and those initiated by ourselves. That is the reason for the difference between the figure we gave at the hearing and the figure which you will find on the attached summary.

Now, in the attached summary Mr. Thompson gives as the total cost of work done as a result of congressional resolutions from July 1, 1922, to February 29, 1924, as \$97,030.80, and yet our friend from Indiana seeks to deduct over \$300,000, because in the colloquy referring to a lot of other matters the chairman of the Federal Trade Commission happened to refer to all these investigations as costing \$315,000.

Now, what will be the result if the amendment proposed by the gentleman from Indiana is accepted? In my opinion, it will mean that if you cut the allowance to this low amount the Federal Trade Commission will cease to function for a large part of the coming year. They told us in the hearings that they had to close up shop in May of last year on account of shortage of appropriations, and the Ayres amendment only gives them the same amount they had then. Immediately following the war this commission had \$1,760,000. This has been cut to approximately \$1,000,000. More than that, the commission has reduced its personnel from 800 employees until they now have only about 312 employees. This force will have to be reduced still lower if the amendment of the gentleman from Indiana should prevail, and, according to their own statement, they are already 18 months behind with their work.

We had just as well tell the truth about it. That will mean that no attempt can be made by this body to curb combinations

of trade for a large portion of next year. Our friend from Massachusetts [Mr. TREADWAY], genial and splendid fellow that he is, complains that no actual results come from these investigations. That is not the fault of the commission. There are certain conditions with reference to unfair trade which the commission can not curb or undertake to curb under existing law. In such cases the only thing the commission can do is to report the matter back to Congress, and if nothing is done to get results then, I repeat, that is not the fault of the commission but the fault of Congress itself.

My friend from Massachusetts and my friend from Texas say that they want to abolish this commission.

Mr. BLANTON. No, no.

Mr. CARTER. Just a few moments ago that was the gentleman's language here on this floor—that he wished these commissions to be abolished.

Mr. BLANTON. Some of them.

Mr. CARTER. Yes; but the Federal Trade Commission is the only one we are considering now. That defines the issue clearly. They want to stop these investigations of violations of the antitrust law. That is exactly what a fight against the amendment of the gentleman from Kansas means.

Mr. BLANTON. Will the gentleman yield?

Mr. CARTER. No; I am sorry I have not the time.

Mr. BLANTON. It is unfair of the gentleman to make a statement like that.

Mr. CARTER. The gentleman has had his five minutes, and I am quoting his language correctly. I will wager the gentleman that I have hardly missed a word. Our friend from Massachusetts says a great many complaints come from some portions of the country that the commission is hampering business. Why, certainly, my friends, it must be expected that such complaints will come from any man in business who is adopting unfair methods of business, because that is the very thing that this commission is undertaking to prevent. They have many ways to do this, according to their statement, and one of them is as follows: When a great number of complaints come in concerning a particular line of business, the commission undertakes to call in all of those against whom the complaints are made, as well as those making the complaints, and as many others as they can get in the same line of business. Then they settle by a majority vote among those people in that line of business just what is fair and unfair methods, and that constitutes the basis for investigation and procedure. Why, certainly, when you interfere with a combination in restraint of trade, certainly when you interfere with profiteers pursuing unfair methods of business, every mother's son who has been pursuing these unfair methods will be sure to complain that you are hampering his business upon the same grounds that a horse thief who is sent to the penitentiary for stealing a cayuse would probably complain that by such action you had interfered with the industry of horse stealing. [Applause and laughter.] If you are opposed to the prosecution of those organizations operating in restraint of trade, then vote against the amendment of the gentleman from Kansas. If you favor the profiteer and oppose the investigation of profiteering, then vote against his amendment. If you desire to see the farmers, consumers, and others of this country exploited by combinations in restraint of trade, then vote against his amendment; but if you desire the business of this country conducted on a fair basis, if you desire to curb the profiteers, if you desire to assist in preventing exploitation of both the consumers and producers of this country, then you can not better serve that desire than by voting for the amendment of the gentleman from Kansas.

Under leave to print I quote hereinbelow a short statement by the Federal Trade Commission of some of the work conducted by this body which serves to give a line on the character of investigations sought to be prohibited by the Wood proviso to this paragraph:

MARCH 28, 1924.

MEMORANDUM OF INQUIRIES MADE BY THE FEDERAL TRADE COMMISSION AT THE ORDER OF THE CONGRESS, THE PRESIDENT, AND THE ATTORNEY GENERAL

PETROLEUM

[S. Res. 457, 63d Cong., 2d sess.]

Acting under this resolution the commission published a report on gasoline prices in 1915, which discussed the high prices of petroleum products and showed how the various Standard Oil companies had continued to maintain a division of marketing territory among themselves. (The commission suggested several plans for restoring effective competition in the oil industry.)

SISAL HEMP

[S. Res. 170, 64th Cong., 1st sess.]

This resolution called on the commission to assist the Senate Committee of Agriculture and Forestry by advising how certain quantities of hemp, produced by the Mexican Sisal Trust, might be fairly distributed among American manufacturers of binder twine.

ANTHRACITE

[S. Res. 217, 64th Cong., 1st sess.]

The rapid advance in the prices of anthracite at the mines, compared with costs, and the extortionate overcharging of anthracite jobbers and dealers were disclosed in this inquiry and a system of current reports called for regarding selling prices which substantially checked further exploitation of the consumer.

BITUMINOUS COAL

[H. Res. 352, 64th Cong., 1st sess.]

While this resolution aimed originally at the investigation of the alleged depressed condition of the bituminous coal industry, the inquiry had not been long under way before there was a great advance in prices, and the commission in its report suggested various measures for insuring a more adequate supply at reasonable prices.

NEWSPRINT PAPER

[S. Res. 177, 64th Cong., 1st sess.]

The newsprint-paper inquiry resulted from an unexpected advance in prices. The report of the commission showed that these prices were very profitable and that they had been partly the result of certain newsprint association activities which were in restraint of trade. The Department of Justice instituted proceedings in consequence of which the association was abolished.

BOOK PAPER

[S. Res. 269, 64th Cong., 1st sess.]

The inquiry into book paper which was made shortly after the newsprint inquiry had a similar origin and disclosed similar restraints of trade, resulting in proceedings by the commission against the manufacturers involved therein. The commission also recommended further legislative action to repress restraints of trade by such associations.

FLAGS

[S. Res. 35, 65th Cong., 1st sess.]

A sudden increase in the prices of American flags led to this inquiry, which disclosed that, while a trade association had been active to fix prices shortly before, the price advance had been so great on account of the war demand that further price fixing had been superfluous.

MEAT-PACKING PROFIT LIMITATIONS

[S. Res. 177, 66th Cong., 1st sess.]

The inquiry into meat-packing profit limitations had as its object the study of the system of war-time control established by the Food Administration (certain changes were recommended by the commission, including more complete control of the business and lower maximum profits).

FARM IMPLEMENTS

[S. Res. 223, 65th Cong., 2d sess.]

The high prices of farm implements led to this inquiry, which disclosed that there were numerous trade combinations to advance prices, and that the consent decree for the dissolution of the International Harvester Co. was absurdly inadequate. The commission recommended a revision of the decree, and the Department of Justice is now proceeding against the company to that end.

MILK

[S. Res. 431, 65th Cong., 3d sess.]

This inquiry into the fairness of milk prices to producers and of canned milk to consumers and whether they were affected by fraudulent or discriminatory practices resulted in a report showing marked concentration of control.

COTTON YARN

[H. Res. 451, 66th Cong., 2d sess.]

The House called on the commission to investigate the very high prices of combed cotton yarns, and the inquiry disclosed that the profits in the industry had been extraordinarily large for several years.

PACIFIC COAST PETROLEUM

[S. Res. 138, 66th Cong., 1st sess.]

On the Pacific coast the great increase in the prices of gasoline, fuel oil, and other petroleum products led to this inquiry, which disclosed that several of the companies were fixing prices.

PETROLEUM PRICES

[H. Res. 501, 66th Cong., 2d sess.]

This was another inquiry into high prices for petroleum products. The report of the commission pointed out that the Standard companies practically made the prices in their several marketing territories and

avoided competition among themselves. Various constructive proposals to conserve the oil supply were made by the commission.

COMMERCIAL FEEDS

[S. Res. 140, 66th Cong., 1st sess.]

The inquiry into commercial feeds, which aimed to discover whether there were any combinations or restraints of trade in that business, was diligently pursued and, though it disclosed some association activities in restraint of trade, it found no important violation of the antitrust laws.

SUGAR SUPPLY

[S. Res. 150, 66th Cong., 1st sess.]

The extraordinary advance in the price of sugar in 1919 led to this inquiry, which was found to be due chiefly to speculation and hoarding in sugar, and certain recommendations were made for legislative action to cure these abuses.

SOUTHERN LIVESTOCK PRICES

[S. Res. 133, 66th Cong., 1st sess.]

The low prices of southern livestock, which gave rise to the belief that discrimination was being practiced, were investigated, but the alleged discrimination did not appear to exist.

SHOE COSTS AND PRICES

[H. Res. 217, 66th Cong., 1st sess.]

The high prices of shoes after the war led to this inquiry, and the investigation of the commission attributed them chiefly to supply and demand conditions.

TOBACCO PRICES

[H. Res. 533, 66th Cong., 2d sess.]

The House called upon the commission to make inquiry into the prices of leaf tobacco and the selling prices of tobacco products. The unfavorable relationship between them was reported to be due in part to the purchasing methods of the large tobacco companies, and as a result of this inquiry the commission recommended that the decree dissolving the old Tobacco Trust should be amended and alleged violations of the existing decree prosecuted. Better systems of grading tobacco were also recommended by the commission.

[S. Res. 129, 67th Cong., 1st sess.]

This inquiry was also directed to the low prices of leaf tobacco and the high prices of tobacco products. It disclosed that in the sale of tobacco several of the largest companies were engaged in numerous conspiracies with their customers—the jobbers—to enhance the selling prices of tobacco. Proceedings against these unlawful acts were instituted by the commission.

EXPORT GRAIN

[S. Res. 133, 67th Cong., 2d sess.]

The low prices of export wheat gave rise to this inquiry, which developed extensive and harmful speculative manipulation of prices on the grain exchanges and conspiracies among country grain buyers to agree on maximum prices for grain purchased. Legislation for a stricter supervision of grain exchanges was recommended, together with certain changes in the rules. The commission also recommended governmental action looking to additional storage facilities for grain uncontrolled by grain dealers.

HOUSE FURNISHINGS

[S. Res. 127, 67th Cong., 2d sess.]

The failure of house-furnishing goods to decline in price since 1920 as much as most other commodities, alleged to be due to restraints of trade, was inquired into by the commission, and one report has already been issued regarding household furniture, which shows that extensive conspiracies existed, under the form of cost-accounting devices and meetings, to inflate the price of such furniture. The commission has announced that it is continuing this inquiry into certain other kinds of house furnishings.

FLOUR MILLING

[S. Res. 212, 67th Cong., 2d sess.]

This inquiry into the flour-milling industry has not yet been reported on.

COTTON TRADE

[S. Res. 202, 67th Cong., 2d sess.]

The investigation of the cotton trade has not been completed, but a preliminary report was issued, which showed a marked degree of concentration in the cotton-merchandising business.

FERTILIZER

[S. Res. 307, 67th Cong., 2d sess.]

The fertilizer inquiry developed that active competition generally prevailed in the industry in this country, though in foreign countries combinations control some of the most important raw materials. The commission recommended constructive legislation to improve agricultural credits and the advantages of more extended cooperative action in the purchase of fertilizer by farmers.

FOREIGN OWNERSHIP IN PETROLEUM INDUSTRY

[S. Res. 311, 67th Cong., 2d sess.]

The acquisition of extensive oil interests in this country by the Dutch-Shell concern, an international trust, and discrimination practiced against Americans in foreign countries provoked this inquiry which developed the situation.

COTTON TRADE

[S. Res. 429, 67th Cong., 4th sess.]

The inquiry in response to this second resolution on the cotton trade has not yet been completed.

NATIONAL WEALTH

[S. Res. 451, 67th Cong., 4th sess.]

This subject has not yet been reported.

CALCIUM ARSENATE

[S. Res. 417, 67th Cong., 4th sess.]

The high prices of calcium arsenate, a poison used to destroy the cotton boll weevil, led to this inquiry, from which it appeared that the cause was due to the sudden increase in demand rather than to any restraints of trade.

RADIO

[H. Res. 548, 67th Cong., 4th sess.]

The patents in the radio industry, which the commission was called upon to investigate by this resolution, were found to be controlled by a combination of a few great companies, as also commercial communication by radio. The commission since issuing the report has instituted proceedings against these companies. These facts are of vital importance in considering what legislation shall be now provided for the regulation of the radio industry.

BREAD

[S. Res. 163, 68th Cong., 1st sess.]

This bread inquiry has not yet been actively undertaken, according to an official report to the Senate, on account of insufficient funds.

FOOD INQUIRY

[Direction of the President, February, 7, 1917]

The President's food inquiry, undertaken with a special appropriation of Congress, resulted in a very important series of reports on the meat-packing industry, which had as their immediate result the enactment of the packers and stockyards act for the control of this industry and the prosecution of the big packers for a conspiracy in restraint of trade by the Department of Justice. Another branch of the food inquiry developed important facts regarding the grain trade, which was of assistance to Congress in regulating the grain exchanges and to the courts in interpreting the law.

[Direction of the President, February 7, 1917]

The numerous cost investigations made by the Federal Trade Commission during the war into the coal, steel, lumber, petroleum, cotton, textiles, locomotive, leather, canned foods, and copper industries, not to mention scores of other important industries, on the basis of which prices were fixed by the Food Administration, the War Industries Board, and the purchasing departments, like the Army, Navy, Shipping Board, and Railroad Administration, were all done under the President's special direction, and it is estimated that they helped to save the country many billions of dollars by checking unjustifiable price advances.

WHEAT PRICES

[Direction of President, October 12, 1920]

The extraordinary decline of wheat prices in the summer and autumn of 1920 led to a direction of the President to inquire into the reasons for the decline. The chief reasons for the decline were found in abnormal market conditions, including certain arbitrary methods pursued by the grain-purchasing departments of foreign governments.

GASOLINE

[Direction of President, February 7, 1924]

At the direction of the President, the commission undertook an inquiry into the recent sharp advance in gasoline prices. The inquiry is still in progress.

RAISIN COMBINATION

[Request of the Attorney General, September 30, 1919]

A combination of raisin growers in California was referred to the commission for examination by the Attorney General, pursuant to the Federal Trade Commission act, and the commission found that it was not only organized in restraint of trade but was being conducted in a manner that was threatening financial disaster to the growers. The commission recommended a change of organization to conform to the law, which was adopted by the raisin growers.

LUMBER INDUSTRY

[Request of the Attorney General, September 4, 1919]

At the request of the Attorney General, the commission examined certain alleged trade combinations in the lumber industry. Violations of the antitrust acts were disclosed with respect to the Southern Pine Association, West Coast Lumbermen's Association, Western Pine Manufacturers' Association, Northern Hemlock and Hardwood Manufacturers' Association, Western Red Cedar Association, Lifetime Post Association, and Western Red Cedarmen's Information Bureau.

The Department of Justice has already initiated proceedings in consequence of the commission's recommendations with respect to the Southern Pine Association and the Western Pine Manufacturers' Association.

CHAMBER OF COMMERCE OF MINNEAPOLIS CASE

The Chamber of Commerce of Minneapolis, the officers and board of directors, and members of the Chamber of Commerce of Minneapolis, manager publishing company, John H. Adams and John F. Fleming. (Docket 694, December 28): The complaint charges respondents with combining and conspiring "to annoy and embarrass and destroy the business of the Equity Cooperative Exchange, a competitor of the respondent chamber of commerce and its members in the selling, buying, and distribution of grain by (a) the publication of false and misleading statements concerning the said cooperative exchange, particularly in the publications of the respondent publishing company; (b) the instigation and preparation for trial of certain litigation; (c) refusal to make available to said cooperative exchange and its members the telegraphic market quotation service supplied by the respondents; (d) the boycott of and persistent refusal to buy grain from the said cooperative exchange; (e) the suppression of competition among members of the respondent chamber of commerce and discrimination against nonmembers; and (f) by the means of contracts binding country shippers to ship all or a greater part of their grain to the respondent chamber of commerce members." (For the opinion and decision of the court of appeals for the eighth circuit denying the petition of the respondents in this case for writ of certiorari to review preliminary orders of the commission therein, 280 Fed. 45, see 4 F. T. C. 604.)

An order was issued commanding the respondents to cease and desist from the unfair practices December 28, 1923. An appeal has been taken and the case will be reviewed by the circuit court of appeals. The matters involved in this proceeding are vital to the grain growers of the North Central States.

EASTERN FARM MACHINERY DEALERS' CASE

On February 6, 1924, the commission issued a formal complaint against the International Harvester Co., Emerson Brantingham Co., Moline Plow Co., Deere & Co., Oliver Chilled Plow Works, and over 500 other corporations, firms, associations, and individuals. The complaint charges that the respondents combined and conspired to fix and maintain retail prices on farm machinery at high levels, and that boycotts were put into effect against dealers who refused or neglected to maintain the prices fixed. It was also averred that the conspirators agreed not to sell to any cooperative farmers' organization, or to any dealer or person who supplied such organization with machines or parts.

This complaint is the first step in one of the most extensive antitrust suits ever instituted by any arm of the United States Government. Involving as it does over 500 defendants, this suit will be hard fought and long drawn.

The answers that have already been filed to the complaint indicate that it will be a hard contested case. It will be necessary to call over 1,000 witnesses for the Government, the expenses and per diem of whom must be paid. Record must be made, and all the expenses that are incidental to the trial of any case of such magnitude will, of course, be necessary in this case.

Counsel for the commission are preparing to go to trial in the machinery case at the earliest possible date. While the complaint, as filed, covers the combination of the leading machinery dealers of the United States, due to the great size of the case, the evidence will be confined, as far as possible, to the territory east of the Mississippi.

The fact should be borne in mind that this case involves a most important question, to wit, whether the farmers of the country who are by law allowed to combine into cooperative organizations shall be deprived of that right by other organizations which have combined and agreed to that end.

Mr. BLANTON. Mr. Chairman, I ask recognition in reply to the gentleman from Oklahoma. There has been only five minutes of debate against both of these amendments, and I submit my request in all fairness.

Mr. CARTER. The gentleman is again mistaken; there has been 10 minutes of debate against it.

The CHAIRMAN. The gentleman from Texas has been recognized and under the rules the gentleman is not again

entitled to recognition until every other Member who desires recognition has spoken.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, I think that this Federal Trade Commission has gone a long way in the way of preventing combinations in restraint of trade. During the war the men who were at the head of great industries came down to Washington, which was necessary at the time, and learned how to coordinate their business and learned how to get together, and the trouble has been that since the war is over they have not turned loose, and they still know how to get together when it comes to the proposition of fixing their prices and their rates.

The Federal Trade Commission offers an opportunity to do more in this country to settle the controversies that arise between capital and labor than any other organization we have in the Government, if we would only expand them and give more power to the commission.

If you would expand the Federal Trade Commission where it could take up the questions of dispute over hours of labor and labor conditions on articles manufactured to be shipped in interstate commerce, you would erect in the United States a tribunal where the facts upon which disputes that arise could be ascertained and furnished to boards selected by both employers and employees, whereby strikes could be avoided and where the enormous loss of property that naturally results from disputes between manufacturers and employees could be avoided. If you would do this, you would perhaps save the employers and employees large amounts of money as well as avoid strikes and these disputes between labor and capital.

You can expand the Federal Trade Commission and establish a means of information that would settle these questions. The time has come in the United States when the lawmakers as well as the business men of this country must help employees and employers to adjust differences. Gentlemen, we talk about peace in the world. What are we doing? What steps are we taking to help settle these industrial disputes and to establish industrial peace in the United States? Industrial peace is more necessary to the ultimate prosperity of this country than any other one thing in the United States. We should do what we can to help obtain justice to labor and a fair settlement of labor disputes. There must be economic adjustment in the question of values in the United States, or we are going to go on the rocks industrially in this country. It is in front of us and there is no escape. We must help solve these problems.

Mr. MacGREGOR. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. BLANTON. Mr. Chairman, I ask for recognition.

Mr. CARTER. Mr. Chairman, has all time expired?

The CHAIRMAN. The gentleman from Texas is recognized for three minutes.

Mr. BLANTON. Mr. Chairman, the gentleman from Oklahoma is mistaken in saying I sought to abolish this commission.

Mr. CARTER. I submit the record.

Mr. BLANTON. I stated in the beginning that the \$680,000 provided for in this bill was enough for this commission to expend. I stated I was against the amendment of the gentleman from Indiana [Mr. Wood] to raise it \$160,000, and I was also against the amendment of the gentleman from Kansas [Mr. Ayres] to raise it \$260,000, for I thought the \$680,000 given it in the bill was enough. And right here I want to ask my distinguished friend from Texas [Mr. Hudspeth] or any other colleague to tell me one single item that we have ever stopped the people from selling that was in violation of the antitrust law in the last five years.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BLANTON. I yield. Can the gentleman tell me one thing they have stopped in the last five years?

Mr. HUDSPETH. I am going to tell the gentleman about one thing now. There was a concern in Ohio selling a Chester White hog, which was advertised as a hog immune from pneumonia and cholera, and they were selling those hogs down in Texas, and this commission stopped them and made them desist from that practice. [Applause.]

Mr. BLANTON. Why, you could not have fooled our farmers about that. They knew that already—that no hogs are immune from cholera. But how about gasoline, how about oils of all kind, and how about hardware implements of all kinds? They are sold right now in violation of our antitrust laws. How about shoes and how about paper up in Massachusetts? There are combinations up there that would make your Chester White hog proposition look like 30 cents. [Laughter.]

The Federal Trade Commission brings in their reports, and we sit here in these comfortable seats and pay no attention to them.

Mr. CARTER. We take up all of our time making speeches; that is the trouble.

Mr. BLANTON. It will take a tremendous lot of speeches to stop this never-ending spending of public money when much of it is not needed. I just want to say this: If you will bring in a proposition to stop these violations of the antitrust law, if you will bring in propositions that will break up these combinations, I will vote with my friend from Texas [Mr. HUDSPETH] and my friend from Oklahoma [Mr. CARTER] every time for every one of them and go just as far as either of them will or any other man will go to stop it; but what is the use of spending this \$260,000 extra in addition to the \$680,000 in the bill, when you do not get any good out of it. The Federal Trade Commission makes numerous reports, but we take no action on them. We do not stop these people. We paid \$18 and \$20 a pair for shoes all the time when the farmer was not getting anything for his hides. The Federal Trade Commission did not cut down the price.

Every one of us knew that there were unlawful combinations controlling the coal markets. Yet with all the money it spent the Federal Trade Commission did not stop it and did not give us any information we did not have already. And we did not act on the information it did give us. And Congress let a special coal commission spend \$600,000 investigating, and that money was wasted. I opposed that waste and tried to stop it, but I could not get enough votes.

All of us know that unlawful combinations are controlling the gasoline market. It sold in Dallas and Fort Worth for 11 cents, while 30 miles away in Weatherford it sold for 18 cents. The big combines were squeezing out all competition. Yet what benefit has this commission given Congress or the people on gasoline? None whatever. The Standard Oil is planting its retail stations now all over this Nation's Capital to squeeze out all competition in the retail trade, so that it can maintain Standard Oil prices, and neither this commission nor this Congress is taking one step to stop it. And if the commission should make a report on it, I doubt seriously whether Congress would take any action whatever.

There is an unlawful combination controlling the sale of all dental supplies and instruments. What has this commission done to stop it? There is an unlawful combination controlling the sale of all surgical instruments. What has this commission done to stop it? Not one thing has it done that has been worth a dollar. All of us know about these combinations, yet we can not get Congress to act to stop them. When Woodrow Wilson recommended to Congress that the manufacturer's cost be stamped on articles, Congress ignored his recommendation. The \$680,000 already allowed in this bill is amply sufficient, and we should not allow this additional \$260,000, for, in my judgment, over half of the entire appropriation will be wasted.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired, and the question is on the substitute offered by the gentleman from Kansas [Mr. AYRES] to the amendment offered by the gentleman from Indiana [Mr. WOOD].

The question was taken; and on a division (demanded by Mr. CARTER) there were—ayes 88, noes 41.

So the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. WOOD] as modified by the substitute offered by the gentleman from Kansas [Mr. AYRES].

The question was taken; and the amendment as amended by the substitute was agreed to.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

Mr. TREADWAY. Mr. Chairman, I make the same request.

Mr. HUDSPETH. Mr. Chairman, I make the same request.

Mr. AYRES. I make the same request, Mr. Chairman.

The CHAIRMAN. Is there objection to any of these requests? [After a pause.] The Chair hears none.

Mr. BROWNE of Wisconsin. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 11, line 15, after the figures \$940,000 strike out the following language: "Provided, That no part of this appropriation shall be used for investigations directed by the President or either House of Congress except those authorized by law: Provided further, That this limitation shall not apply to investigations in progress on April 1, 1924."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. BROWNE].

The question was taken; and on a division (demanded by Mr. WOOD) there were 69 ayes and 38 noes.

So the amendment was agreed to.

The Clerk read as follows:

Contingent expenses: For traveling expenses, materials, supplies, equipment, and services; rent of buildings and equipment; purchase and exchange of books, tabulating cards, typewriters, calculating machines, and other office appliances, including their development; repairs and maintenance, including motor-propelled passenger-carrying vehicles; and miscellaneous items, \$300,000.

Mr. WOOD. Mr. Chairman, I offer the following amendment. The Clerk read as follows:

Page 12, line 5, after the word "development," strike out the semicolon and insert in lieu thereof a comma.

The amendment was agreed to.

The Clerk read as follows:

For all printing and binding for the General Accounting Office, including monthly and annual editions of selected decisions of the Comptroller General, \$25,000.

Mr. MacGREGOR. Mr. Chairman, I move to strike out the last word in order to ask the Chairman a question. I would like to ask the Chairman if he has made any inquiry as to the Comptroller General becoming a czar.

Mr. WOOD. I think it is necessary that somebody should have the courage to thwart the purposes of a good many who are trying to get money wrongfully out of the Treasury.

Mr. MacGREGOR. In some particulars I think he is exceeding his rightful authority.

The Clerk read as follows:

HOUSING CORPORATION

Salaries: For officers, clerks, and other employees in the District of Columbia necessary to collect and account for the receipts from the sale of properties and the receipts from the operation of unsold properties of the United States Housing Corporation, the Bureau of Industrial Housing and Transportation, property commandeered by the United States through the Secretary of Labor, and to collect the amounts advanced to transportation facilities and others, \$50,050: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding \$5,000 per annum and only one person may be employed at that rate.

Mr. BLACK of Texas. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Indiana this question: These employees of the Housing Corporation would come under the reclassification act, would they not?

Mr. WOOD. Yes. Perhaps that ought to receive some qualification; those of the Housing Corporation in the District of Columbia would come within the classification act, but there are many employees known as field men, and they are like other field men—they would not come within the reclassification act.

Mr. BLACK of Texas. The inquiry I had in mind is what would be the reason for the language "no person shall be employed hereunder at a rate of compensation exceeding \$5,000 per annum," and only one person may be employed at that rate. If it is contemplated to include the employees of the District of Columbia, I would be under the impression that they would be classified as all other employees are classified, and that the language, while heretofore properly carried, would not now be applicable because they would come under the general law.

Mr. WOOD. If they were within the jurisdiction of the District of Columbia, that would be correct. The Government has two corporations on its hands; one is the Housing Corporation and the other is the Emergency Fleet Corporation.

Mr. BLACK of Texas. If the gentleman thinks there would be any danger that some employee might not be included under the qualifications, I think it would be well enough for the language to remain.

Mr. WOOD. I think so.

Mr. LARSEN of Georgia. Mr. Chairman, I offer an amendment to line 21, page 12.

The Clerk read as follows:

Page 12, line 21, strike out the figures "\$5,000" and insert "\$4,000."

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, we are trying to reduce expenditures. I think we ought never to lose an opportunity when circumstances warrant it. In this particular case the duties devolving upon the parties have been greatly reduced. The gross returns from the property which they are handling has been greatly reduced. Everything taken into consideration, especially to put them on an equality with other officers provided for under this bill, the party provided for in this paragraph receiving \$5,000 a

year ought to also suffer a reduction. Take our Government hotel, for instance. At the time when they had 1,800 occupants and were occupying 13 or 14 buildings certain officials were paid \$5,000 a year. Since that time two buildings and one dining room have been closed. The patronage has been reduced some 500, and both the net and gross proceeds have been greatly reduced. It is true that the individual may be giving his time just as he did before, but other individuals who have been employed have had their salaries reduced except in cases where their duties have become increased; one exception so far as I know.

Mr. HUDSPETH. In addition to this salary, does this person get board and lodging free from the Government—this superintendent?

Mr. LARSEN of Georgia. Does the gentleman mean the superintendent of the hotels?

Mr. HUDSPETH. Yes.

Mr. WOOD. Oh, the amendment that the gentleman has offered has nothing to do with the superintendent of the hotels at all.

Mr. LARSEN of Georgia. I know it has not.

Mr. WOOD. It has to do with the superintendent of the Housing Corporation.

Mr. LARSEN of Georgia. I understand that. I am trying to answer the question of the gentleman from Texas. The superintendent of the hotels does, but, as I understand it, the superintendent of the Housing Corporation does not get a subsistence allowance. I am not sure whether he gets a house in which to live or not; but the point I make is this, that the responsibility of this officer has decreased. He has not nearly so much to do, nor so many employees under him. I think he also has private interests. I am led to believe that \$4,000 ought to be sufficient for the service that he performs in this capacity. It must be remembered that the Secretary of Labor, a very highly paid official, shares a great deal of this responsibility, and that the chairman of the Housing Corporation has very little to do at this time. Our housing business is being closed up, and the capacity of it is not nearly what it was before. I simply mentioned the hotels in order to show that this branch of the business had been closed up and that other branches of the business directly under the supervision of this gentleman have also been curtailed or closed and he is not having to work nearly so hard as he did before. I think it nothing but right that his salary should be reduced in proportion to the amount of work performed by him and in proportion to the amount of funds that he is now handling.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. BLANTON. Does the gentleman have any serious idea that he will be able to reduce any of these salaries before the next Congress meets?

Mr. LARSEN of Georgia. I hope I shall be able to reduce them right now. I am sure I shall have the splendid cooperation of my friend from Texas, and if we can get a little more strength I think we can do it now.

Mr. WOOD. Mr. Chairman, the gentleman says that the duties of this director have decreased, and in consequence the salary ought to be decreased. The responsibilities of this director have been in no way decreased. It may be true that he has not quite so much property in his hands now, for which we are very thankful, but he has still in his hands millions of dollars of property upon which something will some day be realized. There are a half dozen or more different interurban railway companies that are operated in various parts of the country which were built by this Housing Corporation or which borrowed large sums for the accommodation of the great factories during the war. The Government still has an interest in them, and some of these companies are worth large sums of money.

Mr. LARSEN of Georgia. But none of them is in operation now.

Mr. WOOD. Oh, every one of them. They have to be looked after. They are now under liquidation, some of them, and we are trying to settle the matters. They are trying to settle the one at Hammond, Ind., and everyone in the country who has been observing with reference to the operation of interurban railroads knows that they are all being operated at a loss to-day. To my mind one of the best things that can happen is for the Government to sustain its loss, get the most it can out of this property and get out, because they are constantly deteriorating. The cars and the tracks are deteriorating, and while it may be true that there is not as much property in this gentleman's hands, because he has been disposing of it, there is more responsibility now than there was some time ago. I think he is one of the best men in the Government's employ and is doing us more good and saving

more money at less expense than any other public employee. You could not get anybody else to do the work that he is doing for \$5,000 a year.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 12, noes 38.

So the amendment was rejected.

The Clerk read as follows:

Contingent expenses: For contingent and miscellaneous expenses of the offices at Washington, D. C., including purchase of blank books, maps, stationery, file cases, towels, ice, brooms, soap, freight and express charges, telegraph and telephone service, and all other miscellaneous items and necessary expenses not included in the foregoing and necessary to collect moneys and loans due the corporation, \$6,000.

Mr. LARSEN of Georgia. Mr. Chairman, I move to strike out the last word. I rise at this time to call attention to what I believe we have accomplished by offering the amendment on the other paragraph. Gentlemen will remember the argument of the distinguished gentleman from Indiana [Mr. Wood]. He told us that the official in charge of these millions of dollars' worth of property was receiving only \$5,000 per annum. I call attention to the fact that there are other officers provided for in the Housing Corporation, subject to his orders, who are under him, yet receiving more salary and doing less work than this official whom the gentleman has just mentioned as receiving \$5,000 a year. There is another person provided for under the Housing Corporation who is receiving something like \$7,500 a year, and whose responsibility is about on a par with that of a second-rate boarding-house keeper. I say this in all sincerity and in good faith and respect. She is handling something less than \$800,000 a year. I shall contrast in another amendment to be offered the great inequality existing between the employees of the Housing Corporation. The head of the corporation handling several million dollars' worth of property, in charge of interurban railroads, in charge of houses and other property scattered from one side of the country to the other and valued up into the millions, is paid only \$5,000 per year, and yet another person without any duties and responsibilities, performing very little service, subordinate to him, is getting more than that amount. Why?

I hope I may be permitted when we reach this section to offer an amendment. I am simply rising at this time to emphasize the conditions that exist. When we reach that point I will only be permitted to take five minutes and I will not have opportunity to show you just what happens in our Government hotels and in the management of some other property that is included under the housing corporation act. One reason I thought the chairman of the Housing Corporation should not receive \$5,000 was as stated, another was because of the inefficiency that exists in the management of hotel property coming under his care. I want to call attention to conditions existing in the hotels. I was rather amused this morning at a statement appearing in the press. Some one, purporting to speak on behalf of the guests, stated that it is always likely that some persons will be found to complain. Whoever this generous person be she has not the nerve to stand up and call by name the satisfied guests, or to sign her statement. Gentlemen, I want to call attention to this one fact, that notwithstanding the efficiency and satisfaction they say exists in these hotels, within the last two years two petitions have been circulated for the removal of the head of these alleged efficient hotels. At one time a petition was signed by 1,067 of the patrons demanding that the head of this institution be removed was delivered to the Secretary of Labor; again, only a few months ago, another petition signed by several hundred guests was turned over to a Member of this House on the majority side. It complained of the management, the food served, other conditions existing in the hotel, and asked for the removal of the manager.

The CHAIRMAN. The time of the gentleman has expired. Without objection the pro forma amendment will be withdrawn. There was no objection.

The Clerk read as follows:

Collections: For the collection of money due from the sale of real and other property under the provision of the act approved July 19, 1919, the collection of rentals from unsold properties, including necessary office and travel expenses outside of the District of Columbia, \$33,000.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question. What are these amounts collected? Is that for regular rent?

Mr. WOOD. For rent of property that is undisposed of, and it is for the rent of railroads that are still undisposed of, inter-urban lines, and, for instance, upon deferred payments of property that is disposed of.

Mr. LAGUARDIA. If there is any litigation, is that with the Attorney General's office?

Mr. WOOD. They have a lawyer who attends to routine business. If they had a lawsuit of any considerable consequence involving title or anything of that character, they have been employing—that has occurred two or three times—somebody in the community where the suit is tried because of knowledge of the real estate law of that particular locality. We have this property all over the country and there are complications involving the laws of different States.

Mr. LAGUARDIA. It is rather supervisory, I suppose.

Mr. WOOD. Absolutely. This is not a per cent of the collection.

Mr. LAGUARDIA. I withdraw the pro forma amendment.

The Clerk read as follows:

Washington, D. C., Government hotel for Government workers: For maintenance, operation, and management of the hotel and restaurants therein, including replacement of equipment and personal services, \$700,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding \$5,000 per annum, and only one person may be employed at that rate.

Mr. LARSEN of Georgia. Mr. Chairman, I offer an amendment. Strike out "\$5,000," in line 22, and insert in lieu thereof "\$4,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 13, line 22, strike out the figures "\$5,000" and insert in lieu thereof the figures "\$4,000."

Mr. LARSEN of Georgia. This amendment is offered for two reasons—first, in the interest of economy, and, second, in the interest of right and justice. There are only two persons, except the manager, connected with these hotels whose salaries have not been reduced or whose salaries are not proposed to be reduced by this bill. One of those is the superintendent of the laundry and the other is a mechanic, I believe. The reason advanced by the manager of the hotel for not reducing those salaries is because they are taking on other duties, such as laundry, and so forth. They have a laundry trade in the institution amounting to something like \$1,000 per month. The individual, however, who renders the service receives only \$3,400 a year. Another salary was reduced from \$4,500 to \$3,500. This party has been rendering about the same service as the average official around the institution. I would call to your attention a few things which indicate that the salary of the manager is larger than you may think it is. You are thinking about the expense of living in Washington, and yet while this bill does not provide it, and while I do not believe that a person can legally receive it, the manager in charge of the hotels is, in fact, receiving nearly \$2,000 in excess of her salary of \$5,000. How does she do it? The bill fixes the salary at \$5,000, but in addition to that she gets three meals per day, a suite of rooms—one storage room, bathroom, and two very large rooms in addition—and she has an automobile at her command. The statement was made the other day that she did not have an automobile. I want to explain that. The automobile purports to be used in connection with the laundry business, but I have a sworn statement, an affidavit, which I hold in my hand, and it says that this automobile has been in the hands of the proprietor of the hotel and was carried out on Sundays at least twice by the young man, her son, who was staying there; that it was damaged and has been repaired by the Government at public expense, it seems. So she gets the automobile and uses it. In addition to that, while no one boarding at the hotel can get more than two meals a day, and must pay for them, the manager of this hotel gets three meals per day, free, seven days in the week.

I do not believe that she is authorized under the law to receive that amount; I believe it is an amount that she should not be permitted to receive. Under her management of this hotel in a short period of 10 weeks the patronage was reduced something like 500. Why? On account of the treatment accorded to the guests; on account of the unauthorized raise in the rate charged for the rooms and the meals furnished.

When these hotels were first opened for occupancy it was advertised that they were to be had at \$45 a month, with two meals on week days, and three meals on Sundays and holidays. Then without justification the price was raised to \$50. If an inmate there could not use her meal ticket, she was not permitted to give it to anyone else. In a period of 10 weeks 500

guests were driven away. If you call that efficient management of a hotel, then I admit that I do not know what efficiency in hotel management means. I hope you reduce this salary to \$4,000.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WOOD rose.

The CHAIRMAN. The gentleman from Indiana is recognized.

Mr. WOOD. Mr. Chairman and gentlemen, if I were running this hotel, I think it would be worth \$5,000 to put up with these pesky trouble-raisers that have apparently been in communication with the gentleman from Georgia [Mr. LARSEN].

Mr. LARSEN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I will.

Mr. LARSEN of Georgia. Why did you not give those girls a hearing, as you should have done? When they asked you for a hearing why did you not give it, without forcing other Members of the House to act?

Mr. WOOD. The gentleman is unduly excited. No girls and nobody else came to our committee and asked for an investigation.

Mr. LARSEN of Georgia. Do you say those ladies did not come before you and ask for a hearing?

Mr. WOOD. I say they did not.

Mr. LARSEN of Georgia. Do you say they never made a request of you?

Mr. WOOD. They never did, and I never heard of anybody filing any charges or making the criticism you have offered here.

Mr. Chairman, the gentleman from Georgia has repeatedly said upon this floor that this boy lived at this hotel and got his keep there at the expense of the Government. That was investigated and was found to be false.

I want to say that all this talk about this lady who has charge of the hotel having an automobile and having a chauffeur at the expense of the Government is false and not true. That has been investigated and found not to be true. I will tell you what she has done, and Congress should thank her for the saving which she has effected in consequence. She said that if she had an automobile with which to gather up the laundry around these departments she could reduce the cost of that laundry from \$1.50 to 50 cents on towels. She has saved the Government each year enough to buy another automobile. This lady has been a great success in the management of the affairs of this institution. She turned into the Treasury last year \$936,516, and the cost of running the institution was \$841,862.

I wish we had heads in other institutions that would make as good a showing as she has made. It would be passing strange that when you have together 1,300 girls you will not find 14 or 15 or 20 that may be discontented with their environment. They do not have to stay there. It has been demonstrated that they can go out and get their meals and their rooms at a cheaper rate. But they stay there by choice. I am a friend of this institution, and I am its friend now, and I think I have given considerable time to inquiring into its conduct; and it is amazing, and most commendably amazing, that with this number of girls this institution has been conducted, as it has been, practically free of scandal, and practically free of any insinuation of graft. I have not heard of any until I heard the gentleman who preceded me, and it is so infinitesimally small that it is trifling. I hold no brief for Mrs. Sumner. She was appointed over my will and against my judgment because I thought no woman could take and manage that institution as a man would do it. But she was appointed, and, to my surprise and to my satisfaction, she has made a success; and instead of our attempting here to condemn her, we should uphold her, because she has proven herself to be a competent woman, and the trust reposed in her hands has not been abused, and the institution has been operated while in her hands without loss, when everybody familiar with the matters supposed it would be operated at a loss.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the yeas appeared to have it.

Mr. LARSEN of Georgia. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 11, yeas 42.

So the amendment was rejected.

Mr. LARSEN of Georgia and Mr. BLANTON rose.

Mr. LARSEN of Georgia. Mr. Chairman, I have another amendment to offer. After the figures "\$5,000," I move to insert the words "which shall include all salary to be received."

Mr. WOOD. What is that amendment, Mr. Chairman?
The CHAIRMAN. The Clerk will report the amendment.
The Clerk read as follows:

Amendment offered by Mr. LARSEN of Georgia: On page 13, line 22, after the figures "\$5,000," insert the words "which shall include all salary to be received."

Mr. WOOD. Mr. Chairman, I raise the point of order that that is legislation. It is not, in my opinion, germane and it is not for the purpose of reducing the appropriation.

The CHAIRMAN. The provision as it stands now is:

Provided, That no person shall be employed hereunder at a rate of compensation exceeding \$5,000 per annum.

The amendment offered is to limit that \$5,000 by the qualifying language "which shall include all salary to be received." The Chair thinks that is clearly not legislation; that it limits the amount of money which can be paid under this proviso to the one person referred to, and is therefore in order.

Mr. WOOD. Then I raise the point of order—

Mr. LARSEN of Georgia. That comes too late.

Mr. WOOD (continuing). That it is such a useless thing. It is not limiting, because the amount is already fixed at \$5,000.

The CHAIRMAN. That observation by the gentleman goes to the merits of the amendment.

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, while we are under this head let me say that the manager of the Housing Corporation came into my office yesterday. He discussed some of the questions with me that the gentleman from Indiana has been denying on the floor of the House to-day. He was generous enough, when I confronted him with the facts, to admit I was right in part.

Here is what he told me. He came into my office and he said to me, "This young man is not staying at the hotel." I said, "Since when?" I said, "Now, there is no use in talking to me that way, because everyone knows he is staying there." Then he said, "He is off at school now." I said, "Since when?" He said, "Well, some time ago he went off to school." I said, "Is it not a fact that he comes there in the evenings?" He said, "Yes; he comes in and spends the week ends." I said, "He has a room there," and he said "Well, I understand he rooms there some of the time and some of the time he goes out with his friends." I said, "Doesn't he eat there?" He said, "Yes; but he pays for it." I said, "How?" He said, "He gets tickets." I said, "Do your books show that fact?" He said, "No; of course, he just buys the tickets. Only the amount of money would be shown."

Now, while we are talking about this business, I am going to tell you a little more about it that some of you do not know. The good lady down there in charge of the hotel is getting all these rooms and meals and an automobile free. Let me read an affidavit to you on that point. Mr. Wood says she is not getting an automobile and I say she is, or else a man by the name of Kelly, who was an employee there, has sworn to a lie.

I read from his affidavit:

On Saturday also the machine belonging to the Government but loaned to Mrs. Sumner for Government use is put in repair and on Monday the machine is in such a condition that it takes the entire time of the mechanical force to put it in repair for use. On two occasions this machine has been damaged to a great extent. In this case the son of Mrs. Sumner was driving and had an accident with another machine which the mechanical force also repaired on Government time.

Now, that affidavit was filed with the Secretary of Labor, and I might say that I believe gentlemen on your committee, or some of them, knew that.

In addition to that, ladies have been calling at my office for some time asking me to bring this matter to the attention of the House. They say that on one occasion the manager absolutely undertook to run a lady out of the hotel, and except for the good offices of Senator BURTON—of this body, or some one from his office—she would have been driven out of there by main force.

Some girls came to my office this morning. I said, "Why did you not take this matter before the committee?" And they said, "We could not get before the committee; we went to Mr. Wood, chairman of the committee, and he told us no; he would not give us any hearing before the committee." That is the gentleman from Indiana, and that is why I said to the gentleman that if he had taken the time to hear those poor girls, who are here working for the Government in an hour of need, who are working on small salaries and have nobody to protect them, that I would not be taking the time of the country now.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. BYRNS of Tennessee. I have always supported the appropriation for this Housing Corporation and have been very much in favor of it because I thought it was for the benefit of the girl employees of the Government. I have always understood it was run strictly for and on behalf of the girls who are employed by the Government and that no male was permitted to occupy rooms in the hotel or to become a guest of the hotel.

Mr. LARSEN of Georgia. Well, it has been done for some years.

Mr. BYRNS of Tennessee. How long has that situation existed?

Mr. LARSEN of Georgia. Two years at least, as I understand.

Mr. BYRNS of Tennessee. It ought to be stopped.

Mr. LARSEN of Georgia. In a way they claim to have stopped it now. The gentleman in charge, Mr. Watson, said, "I told Mrs. Sumner it would not do; that it would get up a racket." These two girls who came to my office this morning said that when he first came the manager said it would not be ethical for him to stay there; that was the word she used. But they said that later she had him there rooming and eating, and he was pretending to sort mail in order to pay his way.

Ah, gentlemen, I do not come here and make charges on the floor of this House just for the fun of doing it; I am not trying to be sensational, but I am trying to stand by these women whom the chairman of this committee refused to give a hearing. One thousand and sixty-seven of them signed a petition and sent it to the Secretary of Labor. The petition demanded that the matter be investigated and that the lady who is in charge of the institution be driven out; again, only a few months ago, several hundred more signed another petition, which was, I am told, delivered to Mr. Foster on the Republican side of this House. But no one acted and they appealed to me.

Now, gentlemen, what are you going to do about it? What I am asking now is simply that the manager does not get more than the \$5,000. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WOOD. Mr. Chairman and gentlemen of the committee, I would not make any reply to what has been said here but for what the gentleman said with reference to two girls or a certain number of girls ever coming to me and asking to go before the committee. If there is no more truth in the affidavits that the gentleman says he has than in the statement they made to him that they asked to go before this committee, then there is absolutely no truth in anything they have said to him. Never yet have I denied anybody the right to go before the committee, and I never will if they have any interest whatever in the subject matter being inquired into.

It seems a little strange that if all this subject matter had any foundation in fact, that the gentleman who has just preceded me had not come himself to this committee.

Mr. LARSEN of Georgia. I did not know it at that time.

Mr. WOOD. That is sufficient excuse. It seems a little strange that if there was so much of this and if there had been any truth in it, that some one else has not brought it to our attention.

Mr. FULMER. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. FULMER. I would just like to say to the gentleman that in the last Congress the matter was called to my attention and in this Congress I have had at least two of these ladies in my office with considerable data in connection with the matter and they asked me to take it up and I asked them why they did not go to the committee, and they said they could not get a hearing.

Mr. WOOD. They have never appeared before me, but at no time did they ask to appear before the committee. Two or three years ago they came before the committee with a whole lot of complaint about the time their board over there was raised, and they got up a round robin and that business was referred to the Department of Labor and an investigation was conducted by Mr. Henning, and it was a very complete one. His decision is accessible. He inquired into all the accusations and found they were without any foundation and decided against them.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. WOOD. No; I have not the time now.

I want to say, gentlemen, it strikes me it would be at least ungallant, if you please, to condemn a person who has had no chance to be tried and to adopt this amendment that is based on hearsay, if you please, as admitted by the gentlemen on the other side, upon criticism of this woman's conduct, based on things that the gentleman has been told, would be to condemn

her without a hearing. She has had no chance to be heard. I want to say to you that if the gentleman will prefer charges such as he has preferred here, or if he will write a letter directly to me or to the Department of Labor putting these charges in proper form, we will go to the bottom of them and everybody will have a chance to be heard upon them. So far as this boy is concerned, that matter was investigated, and I have in my office now the records showing that this boy paid for what little time he was there when he would come home at week ends.

Mr. BYRNS of Tennessee. Does the gentleman think he ought to have been permitted there, no matter what amount he paid?

Mr. WOOD. No; I do not; but here is the situation: He is a boy 17 or 18 years old, going to school. His mother is a widow who is trying to give her boy an education and trying, if you please, to do something for herself, and it strikes me it is a quibble and a most technical thing at best. When he came home on Saturday nights he would stay with his mother. She has two or three rooms down there, I understand; and who would take away from her that privilege? She is entitled to the association of her son; and if, perchance, her condition in life has made it so that she must depend upon her own efforts for a livelihood, you would not deny her that association. The boy is entitled to the influence of that mother, the best friend a boy ever has, and it strikes me that this is stretching a hair in order to split it.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. LARSEN of Georgia. I ask that the gentleman have one more minute in order that I may ask him a question.

The CHAIRMAN. The gentleman from Georgia asks that the time of the gentleman from Indiana be extended one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. LARSEN of Georgia. The gentleman from Indiana mentioned Mr. Henning's investigation. My information is, and I have a copy of the report here, that Mr. Henning did not make the examination himself, but that a lady did make the examination and Mr. Henning tried to garble up the report. This statement made by 1,000 girls says Mr. Henning took and whitewashed the whole thing. Has the gentleman ever heard that before?

Mr. WOOD. No; I do not think there is any truth in that.

Mr. LARSEN of Georgia. Then why did the gentleman mention Mr. Henning?

Mr. WOOD. I want to say that I know Mr. Henning and there are other gentlemen here who know him; he is a high-class gentleman. I do not think anybody would deny that, and yet you would condemn him upon the hearsay statement of some dissatisfied girl.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

Mr. LARSEN of Georgia. I withdraw the amendment, Mr. Chairman.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to withdraw the amendment. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 13, beginning with line 17, strike out the paragraph contained between lines 17 and 23, inclusive.

Mr. BLANTON. Mr. Chairman, this not a pro forma amendment. I am offering this seriously, hoping it will be adopted. I believe what we ought to do with this \$700,000 hotel that the Government is running now is to get rid of it, and then we will not have to appropriate this \$700,000.

I want to tell you what happened last year when most of you were at home and I happened to be here part of the time. The Baltimore & Ohio Railroad that owns the land on which these buildings are located—

Mr. LARSEN of Georgia. Will the gentleman yield there? The Baltimore & Ohio does not own the land on which six of these buildings are located, according to the testimony of the manager herself. Half of these hotels are not situated on that land and therefore there is a question whether that \$74,000 should be taken out of these girls.

Mr. BLANTON. Just wait a moment. I did not interrupt the gentleman. I will repeat what I said. The Baltimore & Ohio Railroad Company, which owns the land upon which our friend from Georgia says some at least of these hotels are located, made a demand on the Government during last year when most of you were at home, demanding that the Govern-

ment pay them \$74,000 in cash as a yearly rental, and the Government had to pay the \$74,000 to this railroad for rental of its land.

The Housing Corporation figured the extra expense and said they would have to collect about \$2.50, or maybe it was a little more, from each one of the lady guests extra to pay for it.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HUDSPETH. The Government paid the Baltimore & Ohio Railroad Co. \$74,000 rent for land which the Government had previously given them.

Mr. BLANTON. I do not know about that; but we did pay the \$74,000 rental to this railroad, and in order to equalize the matter they charged these girls about \$2.50 more a month for rooms. These women rose up in arms, and said "We are not going to pay it; we are going to stay here and the Government can not put us out." I wrote the manager of the girls' organization a letter, and I said, "That is not the proper way to talk, as this is a special favor the Government is doing you in running these hotels, and I want to help you all I can. But if you take that position, when Congress meets and the bill comes up again I will make a motion that the Government go out of the hotel business." They thought I was their enemy because I said that.

What we really ought to do is to quit running this hotel business. The Government has no business to be in the hotel business. We have 65,000 employees in the Government service in the District of Columbia, and the Government can not furnish them all rooms and board at a specified price and take chances on losing. Why should we present 2,000 of them with rooms and board when you can not take care of the balance? I think we ought to go out of the hotel business. The war is over. Let us get back to normalcy.

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 3 ayes and 47 noes.

So the amendment was rejected.

Mr. BOYLAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Line 23, page 13, after the word "rate," strike out the period and insert a comma, and add the following: "Provided, however, That this hotel be reserved exclusively for Members of Congress."

Mr. BOYLAN. Mr. Chairman, I think there is nobody more deserving of having the use of this hotel than Members of Congress. See the hardships we have to put up with. When we come from our happy homes and are marooned in the city of Washington we are victims of fate; we are driven from post to pillar for hotel accommodations, and we have to take what we can get. Here the Government has a large hotel. I never knew much about it until within the last few days. Then I heard about the luxurious bathrooms, the highly upholstered furniture in the living rooms, the gorgeous rooms set aside for repose, and I thought that it being such a good hotel it ought to be reserved for the use exclusively of Members of Congress. If there is anything good going along, we ought to be entitled to it, considering the hardships we endure in living in this quiet city of Washington.

I hear that the manager of the hotel is paid at the rate of about \$14 a day, about the same pay that a bricklayer gets. There should be no objection to a small salary like that, assuming that the manager does have an automobile. I think she ought to have one in order to try and dissipate the cares and worries in managing such a large hotel. I think that if she is going to be punished by reduction in salary that would be a very poor way.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. BOYLAN. Certainly.

Mr. LARSEN of Georgia. Does the gentleman propose to punish the good lady further by making her put up Members of Congress? [Laughter.]

Mr. BOYLAN. I will say that I should think it would be a severe punishment, and she might feel so castigated that she might resign. Doubtless the good women of the congressional delegation might agree with me. I am glad the gentleman asked the question; but I do say, in all seriousness, that we have this hotel for the girls. They come here at a sacrifice; they are giving the best that is in them for the caring of the work of the Government. Instead of charging \$55 a month, I think we ought to give them a bonus for living there, because that would only be an incentive to carry on—continue the excellent work that they are doing. It is, to my mind, to the credit of the United States that we have provided this hotel.

I think we should embellish it, add to its attractiveness, do everything possible to make life pleasant for those who are sojourning there. Mr. Chairman, I beg permission to withdraw my amendment.

The CHAIRMAN (Mr. Cramton). The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

INTERSTATE COMMERCE COMMISSION

For 11 commissioners, at \$12,000 each; secretary, \$7,500; in all, \$139,500.

Mr. HOWARD of Nebraska. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HOWARD of Nebraska: Page 14, line 22, after the word "at," strike out the figures "\$12,000" and insert in lieu thereof the figures "\$7,500."

Mr. HOWARD of Nebraska. Mr. Chairman, I do not care to be heard. The correctness of my amendment is so manifest that it needs no argument.

The CHAIRMAN (Mr. Cramton). The question is on agreeing to the amendment offered by the gentleman from Nebraska.

Mr. MADDEN. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The Chair thinks the point of order comes too late.

Mr. HOWARD of Nebraska. Oh, let him make it. I would like to hear it.

The CHAIRMAN. There has been discussion upon the amendment. The gentleman's point of order comes too late. The question is on the amendment offered by the gentleman from Nebraska.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For all authorized expenditures under the provisions of the act of February 17, 1911, "To promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," and amendment of March 4, 1915, extending "the same powers and duties with respect to all parts and appurtenances of the locomotive and tender," including such stenographic and clerical help to the chief inspector and his two assistants as the Interstate Commerce Commission may deem necessary, and for per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, \$290,000.

Mr. LOZIER. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LOZIER: Page 10, line 25, strike out "\$290,000" at the end of the line and insert in lieu thereof "\$300,000."

Mr. LOZIER. Mr. Chairman and gentlemen, I am offering this amendment in good faith and I sincerely trust that the committee will adopt it. Its adoption will remedy a bad situation that is not rapidly improving. I refer to the increasing number of accidental injuries and deaths of railway employees and others due to explosions of locomotives or failure of some part or appurtenance of the locomotive and tender to properly function. According to the annual report of the chief inspector of the Bureau of Locomotive Inspection, 72 employees were killed and 1,560 injured in the year ending June 30, 1923, as against 33 killed and 709 injured in the year ending June 30, 1922. The following table will show at a glance the number of accidents, number killed, and number injured caused by the failure to function of some part or appurtenance of the locomotive and tender, including the boiler, by comparison, for the last five years:

	Year ending June 30—				
	1923	1922	1921	1920	1919
Number of accidents.....	1,348	622	735	843	865
Per cent increase or decrease from previous year.....	117	15.4	12.8	49.2	11.8
Number killed.....	72	33	64	66	57
Per cent increase or decrease from previous year.....	118	48.4	3	15.8	23.9
Number injured.....	1,560	709	800	916	647
Per cent increase or decrease from previous year.....	120	11.3	12.6	41.6	14.4

¹Increase

An analysis of the foregoing statistics shows that from July 1, 1921, to June 30, 1922, there were 622 accidents caused by what we will for the purpose of brevity classify as "locomotive, boiler, and tender troubles," while between July 1, 1922, and June 30, 1923, there were 1,348 accidents attributable to these causes, an increase of 117 per cent. Between July 1, 1921, and June 30, 1922, 33 persons were killed in accidents traceable to the above-mentioned causes, while in the year ending June 30, 1923, the number of deaths chargeable to these causes was 72, an increase of 118 per cent.

In the year ending June 30, 1922, 709 employees were injured as a result of locomotive, boiler, and tender troubles, while for the year ending June 30, 1923, 1,560 employees were injured from the same causes, an increase of 120 per cent. The total number of employees killed or injured in accidents resulting from locomotive, engine, and tender troubles was 1,632 in 1923, as against 742 in 1922.

In the year ending June 30, 1923, there were 57 boiler explosions, resulting in the death of 41 persons and the serious injury of 88 others, which was an increase of 75 per cent in the number of such explosions, 86 per cent in the number of persons killed, and 93 per cent in the number injured as compared with the preceding year. Of the 72 employees killed in 1923 by accidents of the kind indicated, 50 were members of train crews, as follows: Nineteen engineers, 16 firemen, 12 brakemen, 1 conductor, and 2 switchmen. Of the remaining 22, 3 were boiler makers, 2 machinists, 1 foreman, 1 watchman, 1 boiler washer, 4 roundhouse and shop employees, 4 other employees, and 6 nonemployees.

The 1,560 employees injured from these causes in the year ending June 30, 1923, were divided as follows: Four hundred and eighty-four engineers, 597 firemen, 137 brakemen, 35 conductors, 33 switchmen, 19 boiler makers, 14 machinists, 6 foremen, 2 inspectors, 6 watchmen, 9 boiler washers, 31 hostlers, 29 roundhouse and shop employees, 36 other employees, and 123 nonemployees.

In the year ending June 30, 1923, there were 509 accidents which were attributable solely to boiler defects, as against 273 accidents from the same causes in the preceding year. In the year ending June 30, 1923, 47 persons were killed in accidents caused by boiler defects exclusively, as against 25 deaths from the same causes in the preceding year. In the year ending June 30, 1923, 594 persons were injured as a result of boiler defects exclusively, as against 318 injured from the same causes in the preceding year.

In the year ending June 30, 1923, there were 38 derailments due to defects in or failure of some part of the locomotive or tender to properly function, resulting in the death of 4 and the injury of 157 employees, as against 22 derailments from the same causes in the preceding year, resulting in the death of 5 employees and the injury of 61 others.

In this connection I desire to call your attention to the twelfth annual report of the Chief Inspector of the Bureau of Locomotive Inspection to the Interstate Commerce Commission under date of September 25, 1923, which covers the fiscal year ending June 30, 1923. It contains a wealth of information bearing directly on the subject I am now discussing and convincingly establishes the proposition that hundreds of faithful railroad employees have met their death or been maimed for life or seriously injured as a result of accidents directly traceable to the failure of the railroads to furnish these employees reasonably safe equipment with which to operate trains. Moreover, the safety of the traveling public is seriously menaced by conditions discussed in the last report of Chief Inspector A. G. Pack.

Under our transportation laws provision is made for the inspection of railroad equipment, particularly locomotives and engines. This is a wise and humane policy, not only designed to protect the traveling public from accidental injuries but to reduce the probability of accidents and protect the employees from accidental death and injury. Upon a rigid enforcement of these inspection laws the safety of the public and the employees alike depends.

But, gentlemen, are you aware that this salutary provision is not being effectively and efficiently enforced? Do you know that inspections have not been sufficiently frequent and thorough to accomplish the benevolent purposes of this act and to prevent the unnecessary maiming and accidental death of railroad employees? Has it occurred to you that during the fiscal year ending June 30, 1923, the fatalities and injuries traceable to defective engines and locomotive equipment have been at least double what they would have been if all the locomotives had been properly inspected and kept in the shops until their defects were remedied?

The question "Now what are you going to do about it?" naturally suggests itself.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. LOZIER. Yes; I yield.

Mr. RAKER. How much does the gentleman want to increase this amount?

Mr. LOZIER. I want to increase it \$10,000—that is, raise it from \$290,000 to \$300,000, which is the statutory limit. That will not be sufficient, but that addition of \$10,000 may save 10 lives and it may prevent the maiming of a dozen or two individuals. Why has the Bureau of the Budget and the subcommittee reduced this amount? In 1923 they allowed \$290,000; in 1924, the current year, they allowed \$300,000. This year you propose to cut it down to \$290,000.

Read the twelfth annual report of Chief Inspector Pack and then read the reports and the investigations of accidents, and you will find that a number of the railroads of this country have been sending out every day of every month engines, fatally defective engines, that Inspector Pack says constitute a potential menace to life and property.

The law of February 17, 1911, was enacted "to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto." This act, as you will observe, only required "safe and suitable boilers and appurtenances thereto," and did not include other parts of the locomotive or the tender. The amendment of March 4, 1915, extended these provisions and required the railroads to not only furnish safe and suitable boilers, but required that all other parts of the locomotive and the tender should in like manner be safely and suitably equipped. This appropriation is authorized by law and is the expression both of a humane principle and a sound public policy.

However, it is very evident to anyone familiar with existing conditions that the appropriation is insufficient to accomplish the purposes for which it is intended, because it will not permit the employment of a sufficient number of inspectors to adequately and efficiently perform the required service. But as the statute creating this bureau limits its annual expense to \$300,000, it follows that the proposed appropriation can only be increased \$10,000 under existing law.

Under section 8 of the law and under rules 55 and 162, the Bureau of Locomotive Inspection is required to carefully investigate and make a report on all accidents to prevent recurrences, as far as possible and also to inform the bureau, the Interstate Commerce Commission, the employees, and other parties concerned as to the facts. According to the report of Chief Inspector Pack, 65 per cent of all locomotives inspected during the year ending June 30, 1923, were found to be defective, as against 48 per cent during the preceding year, and the total number of defects found and reported increased approximately 70 per cent over the preceding year. From Mr. Pack's annual report it is very evident that the defective condition of locomotives resulted in the increased number of accidents and casualties, viz: Increase of 117 per cent in the number of accidents, 118 per cent in the number killed, and 120 per cent in the number injured.

In view of the heavy increase in the percentage of defective locomotives, it is not strange that the number of accidents have increased. It is inevitable that the deteriorated condition of the motive power should find expression in the increased number of accidents and casualties.

The failure to properly inspect locomotives is especially reflected in the remarkable increase in the number of explosions. From Mr. Pack's report it appears that while many of these explosions were caused by the crown sheet having become overheated, due to low water in the boiler, the number of such cases where contributory defects or causes were found increased approximately 135 per cent as compared with the preceding year. The contributory causes found clearly establish the necessity for proper inspection and repair of all parts and appliances of the locomotive and tender if accident, injury, and delay to traffic are to be avoided.

I have carefully examined many of the reports of the 57 locomotive-boiler explosions that occurred during the last fiscal year, and in the great majority of cases the explosion is directly and conclusively traceable to defects in the water gauges or other portions of the boiler equipment over which the engineer and fireman had no control and where such defects were not apparent or of such a character as to be discovered by the employees in the exercise of ordinary care in the usual and customary operation of the locomotive. In other cases the explosions resulted from conditions which had previously been discovered by the engineers and on which they had made re-

ports requesting a correction of the defects, but in those instances the railroads had failed to act on the request of the employees and had neglected to make the necessary repairs that had been called to their attention.

Another prolific source of accidents was the use of the autogenous or fusion welding process, which has not yet reached such a state of development where it can be safely relied upon in boiler construction and repair. Numerous accidents have occurred due to the failure of the autogenously welded seams and cracks in the boiler back head.

Although the autogenous welding process is in its infancy, it is evident that the railroad companies are using it extensively because it affords a speedy and economic welding method. Though my knowledge of mechanics is extremely limited, it seems to me that while this process is in an experimental stage, it should not be used in the construction or repair of those parts of a locomotive engine boiler on which there is tremendous pressure and where it is of paramount importance to secure the greatest possible power of resistance, especially in view of the serious disasters that inevitably flow from explosions of this character.

During the year ending June 30, 1923, there were 138 persons who sustained accidental injuries resulting from defective grate-shaking apparatus as against 48 during the preceding year, an increase of 187 per cent. Seemingly, an unnecessary number of accidents resulted from defective injector steam pipes.

It is therefore manifest that the carriers have in entirely too many instances been guilty of negligence in failing to properly equip and repair their locomotives and in requiring engineers and firemen to operate locomotives not in reasonably safe condition. Until this practice is discontinued, there will be an ever-increasing number of casualties. The operation of defective locomotives is dangerous alike to the employees and to the traveling public.

There has also been a material increase in accidents resulting from defective condition of driving gear, running gear, and so forth. Main and side rod accidents increased from 23 to 53; valve-gear accidents increased from 15 to 18; accidents due to failure of reversing gear increased from 53 to 100; and there was a corresponding increase in the number of accidents resulting from defects in other related parts.

Were these casualties unavoidable? Were they the result of chance or fortuitous conditions over which the railroads had no control? I think not.

Nearly all of these accidents could have been prevented by means well known to every well-qualified mechanical official and employee in charge of such inspections and repairs and are due largely to the disregard for the requirements of law and well-established practices.

According to the Bureau of Locomotive Inspection, during the last fiscal year the number of locomotive miles per locomotive failure decreased as much as 50 to 70 per cent during the year, as compared with the preceding year, and that every locomotive failure caused by physical defects carries with it potential injuries to persons, serious delay in traffic, and heavy property damage.

While I desire to be entirely fair with the railroads, at the same time I want the railroads to be fair with the employees and the public. The act of 1911, as amended by the act of 1915, indicates the fixed policy of the Federal Government and, until amended or repealed, represents the last legislative word on the subject of inspection of locomotive engines used by the common carriers in our transportation systems. That law should be observed in good faith by the railroads and, obviously, should be rigidly enforced by the Government.

May I say that many of the railroads are not in good faith observing the reasonable requirements of this wholesome statute. Some carriers proceed upon the theory that they are relieved from responsibility because the Interstate Commerce Commission has not made rules and orders covering every possible defective condition or construction within the meaning of section 2 of the act as amended, which in its essential features makes it unlawful for any common carrier, its officers, or agents to use any locomotive engine propelled by steam power, unless said locomotive and tender and all parts and appurtenances thereof are in proper condition and safe to operate without unnecessary peril to life and limb. In other words, when the railroads are charged with the violation of these provisions they point to the Interstate Commerce Commission and say that the commission has not exercised its statutory functions, and has not promulgated rules and orders covering every conceivable defect or condition. But the sixth district of the United States Court of Appeals has very properly held that although the Interstate Commerce Commission

is authorized to promulgate rules covering every defective condition or construction within the meaning of the law, still the failure of the commission to make those rules does not relieve the carrier of the duty of complying with the provisions of the law.

In the summer of 1922 the failure of the carriers to observe the provisions of this law were so numerous and flagrant that at one time the Federal inspectors issued special notices for repairs, and withheld more than 7,000 locomotives from service until proper inspections and repairs were made.

During the last fiscal year, although there were 1,632 casualties resulting from locomotive, engine, and tender defects, there were only 37 prosecutions filed against 31 different railroads for the violation of the locomotive inspection act. These cases involved 377 counts. Pleas of guilty were entered in 10 cases, involving 78 counts, and the maximum penalty of \$100 in each count imposed. The imposition of these ridiculously insignificant penalties, in the aggregate amounting to only \$7,800, did not restore to bereaved families those faithful employees whose lives had been needlessly sacrificed when they were required to operate defective locomotives.

Shall the wholesome provisions of this law be disregarded with impunity by the carriers, and shall these violations continue to go unpunished? I am not criticizing the Bureau of Locomotive Inspection, because I am convinced that with the means at hand it has probably done what it could to prosecute violations of this act. But it has been hampered by lack of funds and because it has not had a sufficient number of inspectors either to inspect the locomotives or to accumulate evidence to punish violations of the law.

The Senate has taken cognizance of the persistent violation by the railroads of the provisions of the locomotive inspection act. By Senate Resolutions No. 327 and No. 438, passed, respectively, on August 3, 1922, and February 26, 1923, the Senate called on the Interstate Commerce Commission for information as to whether or not the provisions of the locomotive inspection act were being violated; and if so, the extent of such violation; and as to whether inspection of locomotives was being made in all Federal inspection districts and upon the lines of all common carriers engaged in interstate commerce, as required by the locomotive inspection act. In response to these resolutions the commission submitted detailed information which is exceedingly interesting and instructive.

From this report it appears that during the first six months of the year 1922, 36,945 locomotives were inspected, of which 44 per cent, or 16,423, were found to be defective, and of this number 1,511 "were ordered out of service." During the last six months of the year 1922 only 30,787 locomotives were inspected, 68.5 per cent of which, or 21,110, were found to be defective, and of which number 3,268 were "ordered out of service."

During the first six months of 1923, 32,275 locomotives were inspected, of which 61.5 per cent, or 19,774, were found to be defective, and of which number 3,764 were "ordered out of service." "Ordered out of service" indicates the number of locomotives inspected by Government inspectors and found in violation of the law for which special notice for repairs were issued in accordance with section 6 of the amended act.

It is interesting to note that, according to the statement issued by the Interstate Commerce Commission, there were 6,158 fewer engines inspected during the last six months of 1922 than were inspected during the first six months of that year. As a natural result, there were 701 engine accidents during the last half of 1922 as compared with 304 in the first half of 1922, an increase of 130 per cent; and 4,670 fewer engines were inspected during the first six months of 1923 than in the first six months of 1922. Why so few inspections comparatively? Was the necessity for inspections less during the last half of 1922 and the first half of 1923 than in the first half of 1922? Will it be contended that from July 1, 1922, to July 1, 1923, the locomotives on the American transportation systems were in better condition for safe and efficient operation than during the first half of 1922? Is it not a fact well known to the public and not denied by the carriers that following the strike of the shop crafts in 1922 there was a rapid deterioration in the condition of the locomotives on all of our railroads, in view of which why should there have been fewer inspections since July 1, 1922, than before that time?

I do not think that it will be denied that in the last 18 months thousands of locomotives have been sent out of the shops without having been properly repaired, and in such a condition that their operation involved extreme danger to the employees and the traveling public. Undoubtedly during the year ending June 30, 1923, the increase of 117 per cent in the number of accidents, the increase of 118 per cent in the number

of persons killed, and the increase of 120 per cent in the number of persons injured, are largely due to a deterioration in the locomotive equipment.

Anyone who will take the trouble to investigate this subject will be forced to the conclusion that hundreds of railroad employees and other persons are being needlessly killed or maimed as a result of the operation of defective locomotives. This condition can be obviated by a more thorough inspection of the locomotives used in interstate commerce and by a vigorous prosecution of willful and wanton neglect on the part of the carriers to observe the provisions of this act. To bring about this result the suggested appropriation of \$290,000, in my opinion, is inadequate. The appropriation for locomotive safety inspection for the fiscal year of 1924 was \$300,000. The pending bill provides for an appropriation of \$290,000 for the coming fiscal year, \$10,000 less than for the current year. For the year ending June 30, 1923, the appropriation for this purpose was \$290,000. According to the report of the chief inspector, this amount was grossly inadequate.

After as thorough an examination as I could make in a limited time, I am convinced that the Bureau of Locomotive Inspection has functioned as efficiently as was possible in view of the limited funds at its disposal, which prevented the employment of a sufficient number of inspectors to cover the territory and make the necessary inspections. Moreover, if the provisions of this act are to be applied and enforced, there must be an increase in the number of inspectors, because it is physically impossible for the present number of inspectors to cover the entire territory and inspect 70,000 locomotives in operation on approximately 265,000 miles of main line constituting the transportation systems in the United States now operated by 941 different carriers. But I do assert that these flagrant violations of the law should have been prosecuted vigorously.

The Bureau of Locomotive Inspection is one of the few governmental bureaus the personnel of which has not been multiplied over and over again since its organization. The act of February 17, 1911, provides for 50 district inspectors whose duties shall be to make such personal inspection from time to time of all locomotive boilers under their care as might be necessary to fully carry out the provisions of the act, so that the locomotives might be employed in moving traffic without unnecessary peril to life or limb, their first duty being to see that the carriers make inspections and repairs as required by the law and the rules and regulations established or approved by the commission. In 1911 when this act was passed there were only approximately 63,000 locomotives on the American railway systems. The amendment of March 4, 1915, extended the authority of the bureau to cover the entire locomotive and tender and all of their equipment and appurtenances. The number of locomotives has grown to more than 70,000 and they are housed and repaired at about 4,600 different places throughout the United States.

In the hearings before the subcommittee having in charge the independent offices appropriation bill, Mr. Esch, one of the interstate commerce commissioners, in discussing the railroad casualties, testified that during the first 11 months of 1923, 6,416 persons were killed and 51,936 were injured, as compared with 5,317 killed and 42,678 injured in the year 1922. He ascribes the increase in casualties to two causes: First, the increased traffic density of 1923 as compared with 1922, and, second, the depreciation in equipment—that is, increased number of bad-order cars and locomotives in bad order—and inability of inspectors to cover the whole field and make the needful inspections.

It is, therefore, evident that a very large proportion of the deaths and accidents in the railroad world could have been avoided had the locomotives been properly inspected, but this inspection is physically impossible in view of the limited number of inspectors and the inadequate appropriation provided for this purpose. During the fiscal year ending June 30, 1923, less than half the locomotives in service on the American railroads were inspected, and it is not strange that there were so many casualties during that period.

The testimony offered at the hearing before the subcommittee having in charge this appropriation convincingly demonstrated the defective condition of the locomotives used in handling our interstate commerce.

It will be observed that under the existing statute only \$300,000 can be appropriated annually for the operation of the Bureau of Locomotive Inspection. If the full amount were appropriated, it is very evident that it would not be adequate to accomplish the purposes intended, and certainly there is no reason why the appropriation should be reduced \$10,000. My amendment, therefore, provides that the appropriation for

locomotive inspection shall be increased from \$290,000 to \$300,000, which is the statutory limit. This additional \$10,000 will provide for more inspections, which will mean fewer accidents, fewer deaths, and fewer bodily injuries to the employees and to the traveling public. I am asking this increase not only on humanitarian grounds but because with better equipment the traffic can be handled more safely and expeditiously. The additional \$10,000 required by my amendment can be made up by reducing appropriations in other departments. In fact, \$10,000—yes, \$10,000,000—might easily be "lopped off" of the appropriations made for the "seat-warming swivel-chair operating brigades" in our departmental service without impairing the efficiency of our administrative system. While the present law can not be amended in the pending appropriation bill, I favor such new legislation as will insure worth-while inspection and more rigid enforcement of this humane policy. Now, if we are to maintain the Bureau of Locomotive Inspection, why not furnish the bureau with funds reasonably adequate and necessary to enable it to carry out the purposes of the law?

If we are to have an inspection of railroad locomotives, we should not be satisfied with a 50 per cent inspection. With 70,000 locomotives in operation on our transportation systems, is it a safe or sane public policy to permit more than one-half of them to be operated without inspection? Undoubtedly the tremendous increase in railroad casualties last year resulted from the inability of the inspection bureau to inspect approximately 40,000 of the 70,000 locomotives in use, or to compel the companies to make the inspections. Then again, the railroads, knowing that it was physically impossible for the Government inspectors to inspect even half of the locomotives, became careless and used thousands of locomotives, the operation of which was dangerous to life and limb.

Noninspection or inefficient inspection means an ever-increasing danger in the operation of trains. It means that engineers, firemen, and other employees are now engaged in a much more hazardous calling than in former years. It means that the locomotives have become much more dangerous instrumentalities and the probability of accidents more than doubled. This is not a good sign. It does not reflect a healthy condition in our transportation system, and it is inevitable that the number of accidents and casualties in the operation of our trains will continue to increase, unless present-day conditions are remedied.

I have carefully examined the statistics of accidents and casualties resulting from the failure of locomotives and tenders and their appurtenances to properly function during the fiscal year ending June 30, 1923. I have also given special attention to casualties resulting from boiler explosions and I have found from an examination of the record in these cases that these explosions resulted almost exclusively from failure of the carriers to properly repair their engines after the engineers had called attention to the defects. The reports covering the investigation of accidents convincingly demonstrate that many of the casualties could have been avoided had the carriers exercised only ordinary care in making the repairs requested by the engineers.

In my investigations I found that on some railroads the accidents caused by defective locomotives were more numerous and the mortality greater than on others.

Is the Federal locomotive inspection law being observed by the railroads or enforced by the Government when, out of 2,364 locomotives—on one railroad—inspected, 1,823, or 76 per cent, were found with defects closely approaching violations of the law and of such a nature that they should have been repaired before being put in service? Moreover, it seems that conditions are not materially improving on these lines, for, according to Inspector Pack, on this one railroad 1,173 locomotives were inspected between July 1 and December 31, 1923, and out of this number 877, or 74 per cent, were found defective, and with many the defects were of a serious nature. Chief Inspector Pack attributes the sharp increase in the number of accidents, killed, and injured to the failure of parts and appliances of the locomotive and tender, including the boiler, as well as the general deteriorated condition of motive power.

All things considered, it is very evident that this appropriation for locomotive inspection should be increased from \$290,000 to \$300,000, which is the statutory limit for appropriations under the act creating this bureau. This increase should be granted on humanitarian grounds, and also in order to safely and expeditiously handle the traffic.

Sound public policy demands that the locomotive inspection law be observed in good faith by the railroads. Its provisions should be rigidly enforced and their deliberate violation vigorously prosecuted. According to the testimony of Commissioner

Esch, the failure of the railroads to maintain their locomotives in safe working condition was due to the high cost of making repairs and to heavy traffic. He says that the railroads—

did not have the money to send them—the locomotives—into the shops for repairs, as the cost of repairs is very high, owing to the cost of labor and material.

I submit that this is no excuse and furnishes no justification for the use of locomotives, the operation of which was dangerous to life and limb. When, I ask, did the railroads acquire the right to operate worn-out, damaged, or ill-repaired engines and other equipment, the use of which inevitably means ever increasing casualties? Why should carriers be excused from furnishing their employees reasonably safe equipment, even if the cost of labor and repairs is high? By the same process of reasoning the railroads could allow their roadbeds to deteriorate, their bridges to decay, their rails to rust, their ties to rot, their coaches to become unsafe because forsooth the cost of material and repairs is high. Railroads are public utilities. They are creatures of the law. Their primary purpose is to serve the public. The duty they owe to employees and the public are clearly defined and easily understood. One of these duties is to maintain a track over which passenger and freight traffic may be safely and expeditiously carried. Incident to this is the duty to furnish its employees reasonably safe equipment for the operation of trains. The fact that the cost of labor and material is high does not relieve the carriers from this obligation. Cost of maintenance and expense of efficient operation are necessary factors in all business activities, and obviously those who operate public transportation systems can not escape this inexorable economic law.

Nor does the fact that railroads were carrying heavy traffic excuse them from keeping their locomotive equipment in repair. On the contrary, heavy traffic demands furnish additional reasons why the equipment should be kept in repair. The heavier the traffic the greater the necessity for efficient and well-repaired locomotives. When traffic is heavy it is a tremendous economic waste to attempt to use worn-out, badly-repaired, and poorly-functioning locomotives to move heavy trains. From the carrier's standpoint it is a short-sighted policy to attempt to handle our rapidly-increasing tonnage by the use of obsolete locomotives that are out of repair, deficient in drawing power, and the use of which is dangerous to employees and the traveling public.

In view of the startling increase of casualties, many of which were unmistakably caused by the gross negligence of carriers in operating locomotives that were notoriously defective and dangerous to operate, I ask why there has been no vigorous prosecution of those who deliberately violated this wise and humane law? It is very evident that some department of our Government has been remiss, if not guilty of culpable negligence, in permitting so many wanton and reckless violations of the locomotive inspection law to go unprosecuted. According to the report of Chief Inspector Pack covering the explosion of Rock Island locomotive 1935 near Mineola, Kans., January 30, 1923, the officers and agents of this carrier who permitted this locomotive to be used in the condition in which it was found were at fault and did not have a proper regard for the duty which the law imposes upon them.

From Mr. Pack's report covering the explosion of Rock Island locomotive 2132, which occurred near Harrah, Okla., July 3, 1923, it is very evident that the workmen who did the work—referring to repairs on engine—and the supervising officers in charge who permitted it should be strongly censured for such careless and indifferent methods, which show an extreme disregard for safety on their part.

The explosion of Rock Island locomotive 254, which occurred at Biddle, Ark., September 24, 1923, was undeniably the result of gross negligence on the part of the carrier. And after a dispassionate and judicial review of the circumstances surrounding this explosion, measuring my words, I will go further and say that officers and agents of the carrier who permitted this locomotive to be used after engineers had repeatedly called attention to its dangerous condition were guilty of criminal negligence, for which they should be vigorously prosecuted and punished. As a result of this explosion the engineer was instantly killed and the fireman seriously injured.

No one can read the report of Chief Inspector Pack covering the investigation of this accident and doubt the culpable negligence of the carrier in continuing this locomotive in service after engineers had repeatedly called attention to its serious defects. The investigation disclosed the existence of many serious defects that could and should have been remedied by the carrier before requiring engineers and firemen to risk their lives in its operation.

This locomotive, No. 254, was inspected and returned to service August 28, 1923. The records show that the engine was in daily use thereafter until the explosion on September 24. During that time the engine was operated by at least six different engineers, every one of whom reported grave defects and requested repairs. The record shows that these requests were recklessly ignored, and the locomotive kept in commission. I ask you to read the daily inspection reports on this engine.

No one can read these records and the reports of the special investigation in relation to this explosion and doubt the culpable negligence of the carrier in requiring its employees to operate this locomotive, in view of its dangerous condition. Its continued use indicates that the carrier's officers and agents had a reckless disregard for human life or they would not have continued to operate this exceedingly dangerous and destructive instrumentality. If willful and deliberate violations of this law are to be permitted and those responsible for the maiming and death of the employees are to go unwhipped of justice, then we might as well repeal this act and thereby license the carriers to continue indefinitely the use of dangerous and defective locomotives.

I am glad that many of the railroads are making an honest effort to comply with the provisions of this law, but I exceedingly regret that some of the carriers are seemingly indifferent to the requirements of this law and continue to use locomotives that are obviously unfit for service and the use of which is dangerous to employees and to the traveling public. According to Mr. Pack's last report, while the law places the responsibility for the general design, construction, and maintenance of all locomotives and tenders upon the carriers owning or operating them, it appears that many railroad officials and employees who are responsible for the general condition and repair of locomotives coming under their jurisdiction have evaded their responsibility and knowingly allowed locomotives to remain in service in a seriously defective condition until found by Federal inspectors and ordered removed from service for needed inspections and repairs.

In other words, the law imposes on carriers the duty to inspect their own locomotive equipment and keep it in good working condition. The law does not contemplate that the Government inspectors shall inspect each of the 70,000 locomotives, most of which are engaged in interstate commerce, but it does contemplate that the Federal inspectors shall inspect as many of these locomotives as is reasonably possible and compel the proper inspection by the carriers of all locomotives, because conditions change from time to time and from trip to trip, and to keep locomotives in proper condition and safe to operate without unnecessary peril to life or limb, as well as in condition to efficiently perform the service required of them, they should be carefully inspected after the completion of each trip or day's work and a record made of all defects needing repairs, and such repairs should be promptly made.

May I add in conclusion that the Bureau of Locomotive Inspection, in its last report calls attention to the insufficiency of the appropriation to adequately carry out the purpose of the law and that at least 50 additional inspectors are required. Moreover, the funds available were so grossly inadequate that the Bureau of Locomotive Inspection obtained the assistance of the Bureau of Inquiry and the Bureau of Accounts in securing necessary information and in preparing such information for transmittal to the proper United States attorneys. This bureau, because of the limited and insufficient appropriation, has been compelled to borrow the services of other bureaus under the supervision of the Interstate Commerce Commission. This is another reason why we should add \$10,000 to the pending appropriation, which will bring the appropriation to the limit under existing laws.

Mr. MERRITT. Mr. Chairman, the facts as the gentleman has stated them are to a large extent true, but I think the committee ought to know, before trying to change the law now, that a bill is under consideration and is ready to be reported out from the Committee on Interstate and Foreign Commerce, which bill has been prepared in consultation with the Interstate Commerce Commission, with the chief inspector, and with all those who are acquainted with all of the facts in this particular matter. This bill provides for the inspection of locomotives and for increasing the number of inspectors, so the inspection may be carried on in a way that the Interstate Commerce Commission and the inspecting division of that commission desire. I think the proper way would be to proceed in that manner and not try to legislate in this bill.

Mr. LOZIER. Mr. Chairman, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. LOZIER. What assurance has the gentleman that the measure to which he refers will be enacted? Why not appro-

priate the amount which the act of 1915 and the act of 1911 authorized? Why await the devious and slow processes of our legislative system?

Mr. MERRITT. Because the act now absolutely limits the number of inspectors which can be appointed, whereas our act would increase the number.

Mr. HOCH. Is it not also true that the present law not only limits the number of inspectors to be appointed but also the salary that could be paid, so that they could not get any more inspectors or any better quality unless we changed the existing law.

Mr. MERRITT. That is true.

Mr. STEVENSON. As I understand it, the present law limits the appropriation to \$300,000. The committee has reported out an appropriation of only \$290,000.

As I understand, the gentleman from Missouri is only undertaking to increase the appropriation. I understand the law limits it, but he is not undertaking to change the law.

Mr. MERRITT. My information is that the appropriation called for is ample under the present law to employ the same number which has heretofore been employed.

Mr. STEVENSON. But it will not change the law to increase the appropriation to the limit of the law?

Mr. MERRITT. But it will not do any good.

Mr. LOZIER. Will the gentleman yield?

Mr. MERRITT. I will.

Mr. LOZIER. Is it not a fact that under the classification a large part of this \$10,000 additional appropriation will be needed in the office of the bureau, or rather absorbed in defraying the office expense, and that this \$10,000 will permit the inspectors to work full time on inspections and to visit more terminals where inspections should be made, which can not be done under present conditions from lack of funds? This additional \$10,000 will help take care of the overhead or office expense and will leave a much larger amount available for the salaries and expenses of the inspectors. Moreover, this additional \$10,000 could be used by the bureau in investigating violations of the law and accumulating evidence to be placed in the hands of the various United States attorneys for the prosecution of deliberate violations of the law.

The chief inspector reports that neither the appropriation or personnel has been sufficient to gather the information necessary in many cases to establish the use of defective locomotives in moving interstate or foreign traffic. While the number of inspectors is limited by the existing law, this additional fund can be used effectively in investigating accidents by persons other than inspectors assembling evidence and preparing necessary data on which prosecutions can be based. According to the chief inspector, the bureau of locomotive inspection would have been very seriously hampered in accumulating evidence on which to base prosecutions had it not been for the "loan of some assistance from the bureau of inquiry and some of the examiners from the bureau of accounts of the Interstate Commerce Commission, which function entirely under another appropriation." As a result of this "borrowed help," which was paid for out of another appropriation, this bureau was enabled to enter prosecutions in some of the most flagrant cases. In other words, this bureau, by reason of the insufficient appropriation, has, in the necessary discharge of its duties, been compelled to appeal to other bureaus of the Interstate Commerce Commission and to borrow the employees of other bureaus to do the work of this inspection bureau. If this additional \$10,000 appropriation served no other purpose than to enable this bureau to do the work that other bureaus have done for it during the past year, then the appropriation is fully justified.

I understand the reclassification has not yet extended to the field service, but by reference to pages 660 and 661 of the hearings it will be seen that the office expenses of the locomotive inspection bureau at Washington are approximately \$59,000, which, deducted from the proposed appropriation of \$290,000, leaves only \$231,000 available for salaries and expenses of the inspectors who have supervision of the inspection of 70,000 locomotives and the investigation of approximately 1,600 casualties annually. I ask, therefore, if the withholding of this \$10,000 will not necessarily result in the reduction of the number of inspectors, materially limit their activities, and unnecessarily hamper the bureau in the efficient discharge of its duties?

Mr. MERRITT. That is not the information which was given to us in the committee.

Mr. HOCH. Will the gentleman yield?

Mr. MERRITT. I will.

Mr. HOCH. Is it not a further fact the classification does not apply to field officers? These officers under consideration

are classified as field officers, and I am in hearty sympathy, as I am sure the House will be after a full hearing, in what the gentleman is trying to accomplish, but I do not believe the amendment will accomplish anything. I believe it will require \$500,000 to do the things that ought to be done, and I am sure the gentleman spoke correctly when he said this Committee on Interstate and Foreign Commerce had a bill all ready to report which handles this in a comprehensive way and it will be entirely satisfactory to this inspection service.

Mr. BANKHEAD. If the gentleman will permit, it seems to me we ought to be able to clear this matter of some confusion. I would like to ask the chairman of the subcommittee whether or not the appropriation in the pending bill is the maximum amount authorized by law?

Mr. WOOD. No; the maximum amount is \$300,000, and that provides for the maximum number of inspectors that can be employed under the law. It would not accomplish anything to adopt this amendment.

Mr. MERRITT. I will say this bill which has been under consideration by the Committee on Interstate and Foreign Commerce is approved by the Interstate Commerce Commission and by all the inspection force and by the railroads. There is no possible objection anywhere, and the only desire has been to accomplish in the best way the object which the gentleman wishes to accomplish.

Mr. RAKER. Will the gentleman yield?

Mr. MERRITT. I will.

Mr. RAKER. From the hearings will it show as to the amount of money that was required to provide the actual number of inspectors legitimately to enforce this law?

Mr. MERRITT. The bill we proposed authorizes an appropriation of \$500,000.

Mr. RAKER. Why can not we amend this bill now?

Mr. MERRITT. Because the gentleman can not under the law.

Mr. RAKER. But if nobody objects to it.

Mr. MERRITT. The law itself absolutely limits the number of inspectors.

Mr. RAKER. But suppose nobody objects and we made it \$500,000; we could do it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUDDLESTON. Mr. Chairman, I move to strike out the last word. There is no doubt but that the locomotive inspection service is inadequate at the present time. There is also no doubt that many of the accidents to which the gentleman from Missouri [Mr. LOZIER] has referred were due to deliberate use of defective locomotives which the carriers kept in service without proper repairs. An instance of this kind was testified to before our committee by one of the commissioners, Mr. McManamy, in which day after day a defective locomotive was sent out on the Chicago & Alton Railroad, although reports were made each night by the engineers in charge of glaring defects in it. After having been used in this way, I think, for something like 30 days, it blew up and, as I recall, killed three or four persons. Practically all of these accidents which have been referred to were preventable. They were in a sense inexcusable. They were undoubtedly plain and open violations of law.

The system of inspection is something like this: The regulations adopted by the Interstate Commerce Commission require that each time a locomotive is brought in after a trip it shall be inspected by the company's inspector or the engineer and a report made of any defect that he may find. The foreman is expected to have the defect remedied—and let me say in passing about 90 per cent of the locomotives require repairs after each trip. It is the duty of the foreman to repair those defects. Where he does not do so he is expected to make a notation explaining the reason for his failure. Once each month sworn statements are required to be sent to the Federal inspector covering the reports of the carrier's inspections and the action taken upon them. The function of the Federal inspectors is not so much to inspect locomotives as to supervise the carriers' inspection service. The actual work of inspection is expected to be done by the carriers themselves under regulations adopted by the commission. The chief function of the inspectors is to supervise this work and to see that the carriers do it, and when they fail to do it to order the locomotives out of service and institute prosecutions and generally try to enforce the law.

We have agreed in the Committee on Interstate Commerce to raise the number of inspectors to 65 from 50, but that will not serve to make the service fully efficient. We really need three or four times that number of inspectors. What ought to be done is that every time a locomotive is inspected by a carrier

and found defective and is continued in service without repairing the defect a report should be sent at once to the inspector and he should take action in that particular case. We need a close system with heavy penalties—fine and imprisonment—for continuing defective locomotives in service. It should be put squarely up to the carrier to insure that its locomotives are safe.

We ought to pass more adequate laws and to have at least half-a-million-dollar appropriation in order to make the inspection service adequate.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HUDDLESTON. May I have one additional minute?

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to proceed for one additional minute. Is there objection?

There was no objection.

Mr. HUDDLESTON. I do not know what effect the amendment proposed by the gentleman from Missouri [Mr. LOZIER] would have. The inspection service needs more money. Whether the law would permit them to use it or not I do not know. But if it does not permit them to use it it can not be used, and the appropriation will lapse and there will be no loss on account of the additional \$10,000. In other words, if the law does not authorize them to use the additional \$10,000 it will fall back. And if the law does permit them to use it it will be used, and used to good advantage. The amendment ought to be adopted. It can not do any harm; it may do substantial good.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Missouri [Mr. LOZIER].

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. SCHAFER. Mr. Chairman, I rise in favor of the amendment. I have had considerable experience on locomotives, having put in 11 years in the engine service of one of the western railroads. If some of the passengers on some of those railroads could have known at the time of the last machinists' strike, when the machinists were striking for decent working conditions and living wages, in what condition some of those locomotives were sent out by the railroads, I think they would have hesitated to ride on those passenger trains. Engine after engine with penalty defects were sent out in yard service and on the road, and when a Federal inspector came around on the railroad the roundhouse foreman and master mechanic began ordering engines off the road and into the roundhouse, so that those engines with penalty defects would not be in service when the Federal inspector arrived.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. Yes. I will gladly do so.

Mr. RAKER. When the men advised him about sending out these defective locomotives, what action did he take?

Mr. SCHAFER. The appropriations for the Bureau of Locomotive Inspection were so limited that in many cases action was not taken. The Federal inspectors always ordered engines which they found with penalty defects out of service until properly repaired.

Mr. SHALLENBERGER. The law imposes a penalty of only \$100 for a violation of the law, which I think is one of the vital defects of the law. Even if the railroad is convicted under the law the penalty is only \$100, although disobedience of the law may result in death, as it has done.

Mr. SCHAFER. At the time of the machinists' strike you would have been obliged to have had at least 500 inspectors on the railroads in order to prevent the railroad corporations from operating locomotives with penalty defects which were dangerous to the traveling public and to the employees.

Mr. RAKER. What would they do in case the engineer or the fireman would refuse to take out the locomotive?

Mr. SCHAFER. The engineer and fireman, although they knew the locomotive had penalty defects, might just as well resign their positions with the railroad as to refuse to take out the locomotives when ordered.

Mr. RAKER. Did the railroad people make it known that that would be the penalty if the men did not take the engines out?

Mr. SCHAFER. Yes; in some cases they did. I know of men who refused. Some of them got by and are working and some were discharged.

The additional \$10,000 provided for by the amendment under discussion is only a drop in the bucket, but if we can get this \$10,000 it will be the limit under the present statutory provi-

sion, and I say let us take that drop in the bucket and not reject the drop because we are waiting for an additional bucket at a future date. [Applause.]

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. Yes. I will gladly do so.

Mr. MEAD. Does the gentleman know that a great many of these violations were referred to the Attorney General and were never followed up?

Mr. SCHAFER. I presume so, knowing that the Attorney General thought more of prosecuting and persecuting the railroad employees than prosecuting the railroads when the railroads deliberately violated the laws of the land.

Mr. MEAD. That is a fact.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. Yes. I will gladly yield to my distinguished colleague.

Mr. BLANTON. I am with the gentleman on his \$10,000 proposition. The gentleman spoke of that strike. Down in El Paso, Tex., the inspectors found and reported that quicksilver by certain of the strikers had been put into certain parts of the engines deliberately to put them out of commission.

Mr. SCHAFER. I think if you got down to the truth of the matter you would find that it was not the strikers who did that, but the paid strikebreakers, scabs, and thugs employed by the railroad company.

Mr. BLANTON. I say it was so reported.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the yeas seemed to have it.

Mr. SCHAFER. A division, Mr. Chairman.

The committee divided; and there were—ayes 46, yeas 35. So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record, and in so doing to publish therein a letter from the chief inspector, A. G. Pack, under date of February 4, 1924, in reference to explosion of Rock Island locomotive 254 on September 24, 1923, and also relating to the need of the bureau for additional funds, and also as to the defective condition of many locomotives now used in interstate commerce; also to include in the extension of my remarks an extract from Mr. Pack's twelfth annual report.

Mr. WOOD. How much does it cover?

Mr. LOZIER. It is a report of the inspections of this one locomotive, and it is a brief statement of its defective and dangerous condition.

Mr. WOOD. That is already in the hearing. There is no use in duplicating it.

Mr. LOZIER. I beg the gentleman's pardon. What I am offering is not in the Record and was not developed in the hearings.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

Mr. McLAUGHLIN of Michigan. Reserving the right to object, I have no objection to the gentleman extending his own remarks, but I do object to his extending extracts from letters and papers.

The CHAIRMAN. Objection is heard.

Mr. LOZIER. Very well.

Mr. COOK. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record on the subject just discussed.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, does not my objection go? The gentleman can extend his own remarks, but—

Mr. COOK. Those are my own remarks.

Mr. McLAUGHLIN of Michigan. I make no objection to extending his own remarks.

Mr. MERRITT. Mr. Chairman, reserving the right to object, the gentleman does not expect to print anything but his own remarks?

Mr. COOK. My own remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COOK. Mr. Chairman and gentlemen, I desire to discuss the importance of increasing appropriations to provide inspectors to promote the safety of employees and travelers on railroads and the need of further legislation on this subject.

A brief reference to the Federal safety act relating to the inspection and repair of locomotives is necessary to fully understand the importance of adopting the amendment to this item of the pending appropriation bill. The amendment proposes to

increase this item from \$290,000 to \$300,000 for the use of the Bureau of Locomotive Inspection.

The Federal act of 1911 provides, among other things, that it shall be unlawful for railroads engaged in interstate commerce to use any locomotive unless the boiler thereof and appurtenances are in proper condition and safe to operate in the service, so that it may be used in moving traffic without unnecessary peril to life or limb, and that all boilers shall be inspected so as to comply with the rules of the Interstate Commerce Commission.

The act further provides that the President, with the advice of the Senate, shall appoint one chief inspector and two assistant chief inspectors, with power to make rules and regulations and have general supervision of the 50 inspectors to be appointed by the Interstate Commerce Commission.

It was further provided that each carrier should file its rules and instructions for the inspection of locomotives with the chief inspector, and that the Interstate Commerce Commission should pass upon and approve such rules.

Then it is required that the inspectors shall make such inspection of locomotives in his district and under his care from time to time as may be necessary to carry out the act, and see that the carriers make inspections in accordance with the rules and regulations of the Interstate Commerce Commission, and that such carrier repair the defects which are disclosed by the inspection before the locomotive is put in service. The carrier is also required to file with such inspector a duplicate of the report of inspection and of the repair. It is further provided that when any inspector shall find any locomotive not conforming to the requirements of the law and regulations he shall notify the carrier in writing that it is not in proper condition, and thereafter such boiler shall not be used until in serviceable condition.

In case of an accident resulting from the failure from any cause of a locomotive or its appurtenances, resulting in serious injury or death, a statement must forthwith be made in writing of the fact of such accident by the carrier to the chief inspector. Whereupon the facts concerning such accident shall be investigated by the chief inspector or one of his assistants or such other inspector as the chief inspector shall designate, and where the locomotive is disabled to the extent that it can not be run by its own steam, the part or parts affected by said accident shall be preserved by said carrier intact, so far as is possible without hindrance to traffic, until after said inspection. The inspector making the investigation shall examine the boiler or part affected and make a full report of the accident to the chief inspector. The Interstate Commerce Commission may obtain such report and make it public, giving the cause of the accident.

The law provides for a fine of only \$100 for a violation of the act and further provides that only \$300,000 can be appropriated for any one fiscal year to pay the expenses of carrying out the act.

Later the act of 1915 provided that the inspection should also apply to the entire locomotive and tender and all parts and appurtenances thereof.

It is plain that the object of this law is to promote the safety of and protect the life and limb of those who operate trains and who travel on railroads by compelling carriers engaged in interstate commerce to properly equip their locomotives and tenders and to keep them in good repair.

I am in favor of the amendment of the gentleman from Missouri [Mr. LOZIER], which increases this sum to \$300,000, the full amount allowed under existing law.

It has been stated in the debate on this amendment and not controverted that the present law is not adequate to carry out the objects for which it was enacted.

It has been disclosed that there are so many places in the country where locomotives are housed and repaired that it is impossible for the present number of inspectors to see that the inspections and repairs are made and the act complied with. There have been numerous complaints from many quarters that carriers are not complying with the regulations; that after locomotives have been inspected and found defective they have not been repaired, but used in such defective condition. And it has been shown that the number of accidents are rapidly increasing and the life and limb of the employee and passenger have been put in unnecessary peril.

The locomotive, like an automobile or any other machine, can not repair itself. The skill of an engineer and inspector and the service of a competent machinist are required to keep it in running order.

The slightest derangement of any part, if not repaired, or adjusted, or put in proper condition at once, will soon impair

and damage every part of it and make its operation dangerous. The fact that the locomotive and its parts work under a great strain, that its boiler carries a high head of steam, that it moves rapidly over the track and carries and draws a great weight multiplies the dangers of the slightest derangement in any of its parts. Every bearing, rod, tube, and every other part must do its part and no more.

Every precaution required in this law should be complied with in order to guard the safety of the employee and the public. No chance should be taken. Every part must be tightened up and every defect repaired before it is taken out on its trip. The employee and traveler are entitled to that protection. When the train is in motion, going at the rate of speed now traveled, the employees and travelers are helpless to guard against the effects of a defective locomotive. They are compelled to rely on the care and caution of the carrier who has undertaken to safely transport them.

It is remarkable that anyone should send out a locomotive without it being in the very highest state of perfection.

The locomotive engineer is called to go out. His locomotive is assigned to him. When he goes into the cab and takes hold of the lever opening the throttle he has his orders and is expected to make the schedule of the trip.

He has no time to stop and inspect nor the means at hand to make repairs. He has the life of his passengers in his care in operating his train and must assume that his locomotive has been carefully inspected and every part put in a safe condition.

The train crew is in the same position.

The public is paying for the inspection of these locomotives and it is entitled to safety for the money expended.

This increase in the appropriation should be made at once. It will help some until further legislation can be enacted.

Mr. Chairman, several bills have been introduced to remedy the defects of the existing law.

The one by the gentlemen from Ohio [Mr. COOPER] provides, among other things, for the appointment of additional Federal inspectors and for an appropriation of not exceeding \$500,000. The other by the gentlemen from New York [Mr. MEAD] contains similar provisions, but increases the appropriation to a sum not exceeding \$750,000.

These bills should be taken up by the House and considered at the earliest opportunity. I am in favor of going into the whole subject and of making ample provision for increasing the appropriation so as enable the Interstate Commerce Commission to increase the number of inspectors, so that this work can be carried out in a proper manner to the end that the safety of the employee and traveler shall not be imperiled. Such a policy will not only protect the employee and public but it will save money for the carrier. There is no investment which brings such large returns as expending money for necessary repairs. It brings safety and lengthens the life of the machine.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent to strike out the paragraph.

The CHAIRMAN. Does the gentleman ask unanimous consent to strike out the paragraph?

Mr. LOZIER. Mr. Chairman, I meant to say, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Missouri moves to strike out the last paragraph and the Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LOZIER: Page 16, line 13, strike out the paragraph.

Mr. LOZIER. Mr. Chairman, I have made that pro forma motion because the gentleman from Michigan [Mr. McLAUGHLIN] has denied me the privilege of printing, in the extension of my remarks, the letter to which I have referred, and in my time I will now read it.

Mr. WOOD. Mr. Chairman, I raise the point of order that the gentleman is not discussing the paragraph.

Mr. LOZIER. The letter relates to the paragraph.

The CHAIRMAN. The gentleman has not proceeded sufficiently for the Chair to judge whether his remarks are directed to the paragraph or not.

Mr. WOOD. I make the further point of order that the gentleman is doing this for the purpose of discussing something else than the paragraph. The gentleman can not read a letter without unanimous consent, a letter which is foreign to the matter under consideration.

Mr. LOZIER. The letter is not foreign to the matter under consideration. I have obtained recognition to support my motion to strike out the paragraph, and preliminary and as a preface to my remarks I desire to read the letter from Chief Engineer Pack to me under date of February 4, 1924.

Mr. WOOD. Mr. Chairman, I raise the point of order that the gentleman is not discussing the paragraph; and I also raise the point of order that the gentleman is taking advantage of the situation for the purpose of reading a letter into the Record that is no part or parcel of the debate.

The CHAIRMAN. The Chair overrules the point of order that the gentleman is not discussing the paragraph. The point of order that the gentleman is reading a letter, notwithstanding the objection of the gentleman from Indiana, is well taken. The committee may extend that permission by vote if the reading is objected to.

Mr. LOZIER. Mr. Chairman, I ask the gentleman from Indiana, the chairman of the subcommittee in charge of this bill, and other members of the committee, for unanimous consent that this letter, dealing directly with the conditions involved in this paragraph, may be read by me at this time, out of my time and as a basis for my remarks on the matter under consideration.

I am discussing this particular paragraph which is now under consideration. The letter that I desire to read was written by a Government official, the Chief of the Bureau of Locomotive Inspection. It relates to the condition of locomotives as ascertained by this official in the discharge of his statutory duties. It refers to the activities of the bureau and emphasizes the insufficiency of former appropriations and the necessity of a larger appropriation if the bureau is to function efficiently. I desire to discuss the paragraph in connection with the conditions disclosed by this public official and which facts are germane to the paragraph now being considered. This is a universal practice, as a reference to the RECORD will demonstrate.

Mr. WOOD. Objection has already been raised to the gentleman reading that letter. My own objection is that it is already in the public record, and I do not understand why the gentleman wants to encumber another Record with it. It has been repeatedly stated that we were going to keep these letters and such business as that, and keep them out of the RECORD. I have no objection to the gentleman extending his remarks with reference to things he wants to talk about himself.

Mr. LOZIER. The gentleman is mistaken. This letter is not in the RECORD; if it were I would not ask unanimous consent to put it in the RECORD.

Mr. WOOD. I do not object to the gentleman's reading the letter.

Mr. MERRITT. The gentleman's motion for an increase of this appropriation has already carried, and nothing could be gained by the reading of this letter.

Mr. LOZIER. As to whether anything will be gained the gentleman is not the judge. It is not his province to determine that matter.

Mr. MERRITT. Then, Mr. Chairman, I object.

Mr. LOZIER. Mr. Chairman, in view of the objection, I withdraw my pro forma motion to strike out the paragraph.

The CHAIRMAN. Without objection, the amendment is withdrawn.

Mr. MEAD. Mr. Chairman, I move to strike out the last two words. I am very much interested in this paragraph of the bill for the reason that I come from what is known as a railroad family and I realize the dangers incident to railroad employment. I served an apprenticeship of approximately 15 years on several railroads, as did most of the members of my family. I might add that the members of my father's and mother's families did likewise. The casualties in our family due to railroading—which are characteristic of railroaders generally—would run, I should say, about 60 per cent, of which 30 per cent would be fatalities. We all worked in train service—that is, in making up trains in the yard service—and in the operation of these trains along the road six of my mother's brothers went into the railroad business, and three of them were killed in train service and two of the other three were injured. About as many went into the business of railroading on my father's side, but the casualties there were not as severe. However, about 60 per cent, I should say, would be the exact percentage of those who were injured and injured seriously.

Four of my brothers went railroading, but, fortunately, we have all left that occupation—that is, those of us who escaped injury. One brother was killed, and one was so seriously injured that his death was hastened as a result of the injury. Another one was slightly injured. Two of us were fortunate enough to escape without any serious injuries. I mention these matters, my friends, to prove the dangerous occupation of the employees in train service.

But I want to say to you, also, that with the air brakes, with the safety couplers, and all of the other safety devices, that we are slaughtering more people in America to-day on our railroads—and a greater percentage this year than last—than we were in the earlier days of railroading when some of these safety devices were unknown, when they had the links and pins, when they worked with hand brakes, without semaphores and block signals. My friends, to-day the railroads that serve this Capital district are slaughtering more people than they did years ago.

The percentage of deaths last year on the railroads was 118 per cent greater than the previous year. The percentage of casualties was 120 per cent greater than 1922, and the list of accidents 117 per cent greater. In this age of "safety first," in this age of the improved signals and our four-track trunk lines, in this age with all the safety schools and conferences commanding the attention of the railroad officials and employees, and with all the interest the insurance companies manifest in the matter, we are killing more on our railroads in 1923 and 1924 than in the past four or five years. They are more dangerous to-day than ever before, and we are shocked, my friends, when we wake up some morning to learn of some disaster like the Knickerbocker Theater disaster or the sinking of the *Titanic*, but those disasters are insignificant in proportion to the number killed and injured on our railroads annually. An account of the number killed and injured on the railroads of America annually reads like the result of the drive through the Argonne, and modern railroading will be more dangerous than modern warfare unless legislation similar to this is enacted in the very near future—and I say to you, my colleagues, that we ought to pass this amendment, and we ought to pass the bill introduced by the gentleman from Ohio [Mr. COOPER] increasing the force of inspectors in the Interstate Commerce Commission, Bureau of Locomotive Inspection Service.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MEAD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? The Chair hears none.

The Clerk read as follows:

For all printing and binding for the National Advisory Committee for Aeronautics, including all of its offices, laboratories, and services located in Washington, D. C., and elsewhere, \$13,000.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word. I want to call the committee's attention to this section and to the work of the National Advisory Committee for Aeronautics. I would invite a reading of the hearings before the committee, so that the Members may learn of the interesting work and progress of this committee. The committee is composed of a representative of the Army, one each from the Navy, the Weather Bureau, the Bureau of Standards, and the Smithsonian Institution. Its very composition is a complete answer to the claim that it is impossible to unify the air activities of this Government. The committee conducts scientific research work and has the assistance of the best engineers in the country, among whom I want to mention Dr. Joseph S. Ames, who is doing such excellent work. It is the only place, I believe, where representatives of the Army and the Navy can sit around a table and work together for the progress of this important branch of the national defense. Why it can not be done elsewhere is more than I can understand.

A few days ago, when we were considering the Army appropriation bill, I referred to appropriations we were then making for the defense of Panama, and deplored the fact that we were sinking a large amount of money in forts as a coast defense, and that we had insufficient air defense at Panama or at any part of the continental coast, Atlantic or Pacific. I was questioned then by the genial and handsome gentleman from Arkansas [Mr. Wingo], who afterwards took the floor and stated he doubted very much whether my information was correct. I want to refer the gentlemen of the committee to the hearings now being conducted by the Naval Affairs Committee of this House on that very point. The testimony of the officers of the Army and the Navy is absolutely conclusive that we will never have proper and adequate defense at Panama or any adequate coast defense unless we develop proper air defense, which was the argument I made then. Other countries have realized that and are making the air service an important branch of national defense. The hearing before the Committee on Naval Affairs marks a great step forward in itself. The very fact that this committee will give time and consideration to the necessity of uniting the air activities of the Government

I consider the greatest progress that has ever been accomplished by this House. I hope the Committee on Military Affairs of the House will cooperate with the Naval Affairs Committee, and in that way bring together in one department all the various air activities.

Gentlemen, the chief objection to a unified service is usually the difficulty in uniting land and water warfare. But that has reference to the strategy of combat, whether it is pertaining to the Army or to the Navy. One of the smallest items in your big air problem is that of actual combat. Your big problem is the industrial end of it, the manufacturing of airplanes, the developing of motors, fuel, navigation, the concentration of air fields, and the training of personnel. From that point on, it will be an easy matter to assign to separate command specialized combat forces. But as to coast defense, observation, pursuit planes, Postal Service, forestry protection, geodetic service, there can be no reason for delay in uniting all these air activities in one department. I so advocated in the Sixty-fifth and Sixty-sixth Congresses and shall continue to do so until it is an accomplished fact.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

TARIFF COMMISSION

For salaries and expenses of the United States Tariff Commission, including purchase and exchange of labor-saving devices, the purchase of professional and scientific books, law books, books of reference, newspapers, and periodicals as may be necessary, as authorized under Title VII of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, and under sections 315, 316, 317, and 318 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, \$671,980.

Mr. HOCH. Mr. Chairman, I offer an amendment.

The CHAIRMAN (Mr. REECE). The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HOCH: At the end of line 7, page 23, strike out the period, insert a colon and add the following: "Provided, That no part of this appropriation shall be used to pay the salary of any member of the United States Tariff Commission who shall hereafter participate in any proceedings under said sections 315, 316, 317, and 318 of said act approved September 21, 1922, wherein he or any member of his family has any special, direct, and pecuniary interest or in respect to the subject matter of which he has acted as attorney, legislative agent, or special representative."

Mr. WOOD. Mr. Chairman, I make the point of order against the amendment that it is legislation upon an appropriation bill.

Mr. HOCH. Mr. Chairman, I desire to be heard on the point of order. This amendment is nothing but a limitation upon this appropriation, a limitation upon the expenditure. It is not necessary to go over the general rule that Congress, having power to withhold appropriations, has power to limit the expenditure on an appropriation bill, provided the limitation makes no change in existing law. This amendment provides no change whatever in existing law. I may say I have taken occasion to go pretty carefully into this difficult question of limitation upon appropriation bills. I have gone through all the precedents cited in Hinds and this amendment is supported by a long line of precedents. What does this amendment propose? I want to call attention to what the amendment proposes in order to show that it does not provide any change in existing law. It simply provides that no part of this appropriation shall be used for paying the salary of any member of the United States Tariff Commission who hereafter shall sit in any proceedings under the flexible provisions of the tariff law which are referred to in this paragraph, sections 315, 316, 317, and 318, in any case wherein he or any member of his family has a personal, direct, and pecuniary interest, or in respect to which he has acted as an attorney or as legislative agent or other special representative. Now, does that involve a change in existing law?

In order to answer that question, we must ask ourselves this question: Is it required of a member of the Tariff Commission that he shall sit in every hearing regardless of whether he has a personal interest or not? Certainly it is not. A member of the Tariff Commission can step aside in any particular hearing wherein he has a direct personal and pecuniary interest, and not only would not violate any law, but would be following out the common practice of all other commissions similar in character, as well as all judicial and quasi judicial bodies. Let me call the Chair's attention to the fact that the situation of the

Interstate Commerce Commission is exactly parallel. There is no law compelling members of the Interstate Commerce Commission or of the Tariff Commission to sit in any hearing in which they have a direct personal interest or no law denying their right to do so. And yet, what is the rule in the Interstate Commerce Commission? From the very beginning of its history the Interstate Commerce Commission has had a rule that in no case should any member sit in any particular hearing in which he had a direct personal interest.

Let me call the Chair's attention to a few of the precedents. A few days ago we had a case exactly in line with this amendment. Upon the Navy bill and upon the Army bill we had an amendment which provided, as the Chair will recall, that no part of the appropriation should be paid any recruiting officer who should enlist any man under 21 years of age without the written consent of his parents or guardian. That proposed a limitation exactly similar to this. In fact, a stronger argument could be made in support of the point of order with reference to the amendment on the Army and Navy bill than can be made on this amendment, because in that case it might be argued that the recruiting officers were obliged under the law to take boys over 18 for enlistment, and it might possibly be held that the amendment involved a change of existing law. The gentleman from Illinois [Mr. GRAHAM] in an elaborate opinion upheld the amendment and overruled the point of order. Following, in the Army bill, the same amendment was upheld. I could cite a long list of decisions, but let me give the Chair one or two others similar to this.

On page 621, volume 4, of Hinds' Precedents will be found cited an amendment to the post-office appropriation bill which provided:

No part of this appropriation shall be paid to any rural agent who after the 1st day of July, 1904, shall make a recommendation against the establishment of any route on account of the condition of the road over which said route extends or is proposed to extend.

A point of order against this amendment was overruled by Chairman Boutell, of Illinois, who held that it was simply a limitation.

Certainly, if that amendment was in order, this one is in order because this does not change any substantive law in any respect. It simply directs the members of the United States Tariff Commission that when a case comes up under the flexible tariff provisions in that case he shall step aside. It simply directs them to do something which under the rule of procedure universally followed, and in all good conscience they ought to do even without this expression of the will of Congress. In no sense can this be said to be a change in existing law. It is simply a limitation on the appropriation.

I do not want to burden the Chair if the Chair is ready to rule, but if the Chair has any doubt I would like to cite one or two other cases where the amendment has been held in order.

On page 638, volume 4, of Hinds', is cited the following amendment offered to the sundry civil appropriation bill:

Provided further, That no part of this appropriation shall be apportioned to any national home for disabled volunteers that contains a bar or canteen wherein intoxicating liquors are sold.

The point of order was made and overruled on the ground that this was a permissible limitation on an appropriation bill. Mr. WATSON of Indiana made the ruling. This same amendment was sustained several times by different Chairmen.

Here is another: On page 647, volume 4, of Hinds', this amendment is cited:

Provided, That no part of the money appropriated for this act shall be expended in payment for any retired officer of the Army who receives payment for services as clerk or other civil employment in any of the departments of the Government.

Mr. Chairman, Mr. Olmstead, of Pennsylvania, held that it was a proper limitation, and he overruled the point of order.

I do not care to say more unless the Chair has a doubt on the question as to whether under the rules this is a proper limitation on the expenditure.

Mr. WOOD. Mr. Chairman, I desire to say in support of the point of order that the Tariff Commission under the organic act has certain duties to perform. It has also certain limitations, certain proscriptions with reference to its membership. I call attention to what is said in this respect, and I am reading from Barnes's Code, section 645, in defining the duties of the Tariff Commission and limitations:

No member shall engage actively in any other business, function, or employment. Any member may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

Would it not be a change in this organic act to insert within it the language that is included in the amendment? That would simply add certain other inhibitions. It would state further the things the commissioners could not do. It does not apply simply to this appropriation, as I remember it.

Mr. HOCH. Oh, yes; it applies to this appropriation solely.

Mr. WOOD. But the gentleman has the word "hereafter" in the amendment.

Mr. HOCH. It provides that no part of this appropriation shall be paid to any member who shall hereafter sit in any hearing, and so forth.

Mr. WOOD. It makes it continuous. It makes the inhibition not only in respect to this appropriation but in respect to any other appropriation against anyone who hereafter does the thing that is proscribed. It changes existing law. Suppose in the organic act there was no proscription against any of these commissioners and that it was the first attempt made at such an inhibition; would it not be a change of the organic act? If that be true, it follows logically that any addition to these proscriptions is a change of the organic law.

Mr. HOCH. Does the gentleman deny that in any case where a member of the commission had a personal interest he would have a right to step aside in that case?

Mr. WOOD. No. I am not speaking about the desirability of such an amendment.

Mr. HOCH. I am asking if the gentleman denies that the commissioner would have a right to step aside under the law?

Mr. WOOD. No.

Mr. HOCH. Then, if he would have a right to step aside, the gentleman has conceded the whole point. He would, therefore, not be violating any law, and if that is the case, then I have not changed any law by this amendment.

Mr. WOOD. Let us take the case of a judge upon the bench. Very often his own conscience says to him that because somebody has some spite against him, a man might feel that he was being prejudiced, and on his own motion he does not sit in a particular trial. In order that suspicion might not arise against any commissioner, good conscience ought to dictate to him that if he had any personal interest or his family had in any hearing he should not sit. I have no respect for a man who would sit under such circumstances. But I am not arguing now with reference to the virtue of the proposition contained in this proposed amendment; I am speaking with reference to the point of order, and I insist that this is not in order because of the fact that it adds to the inhibition. It provides that a man may not do certain things. Congress legislating upon the proposition provided that these commissioners should not do certain things. The gentleman proposes now to add to those things which the law says shall not be done, and I contend that it is a change of existing law to the extent that it is an addition to the things that the commissioner may not do.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. WOOD. Yes.

Mr. MAPES. Is it not true that this does not change any existing law at all, but simply says that no part of this appropriation shall be paid to any man who sits in a hearing in which he or his family has a personal interest? Does it not simply apply to the appropriation and limit it by all the rules that we have ever proceeded under?

Mr. WOOD. If the Chair will read the organic act creating this commission—

Mr. MAPES. And if the gentleman will yield further, as has been stated, it does not even prevent a man from sitting if he wants to, but it provides that no part of the appropriation shall be paid to any man who does sit under certain circumstances.

Mr. WOOD. That does not of necessity cure the defect. The question is whether or not it is an addition to the organic law. If it is, it is a change of existing law.

If the Chair will read the organic act, he will see that it provides that no member shall engage actively in any other business, function, and so forth; and to that it is now proposed that he may not sit in a case where any member of his family is interested in the result of the examination or where he himself is interested, and it fixes a penalty, and the penalty is that he shall not receive any pay if he sits.

Mr. TINCER. Mr. Chairman, will the gentleman yield?

Mr. WOOD. Yes.

Mr. TINCER. What distinction can there be between this proposition and the propositions ruled on by two chairmen last week, where the committee thought it was bad policy for an Army or a naval officer to do certain things in recruiting? The Congress can limit the appropriation to be so used that the money can not be spent in a particular way. What distinction does the gentleman see between this point of order and those?

Mr. WOOD. I do not know what those points of order were. I was not present.

The CHAIRMAN (Mr. REECE). The Chair is ready to rule. It seems to the Chair that this amendment is similar to other amendments which have been offered to appropriation bills. It appears to him that it is a limitation and that the amendment does not change organic law. He has listened with interest to what the gentleman from Indiana has said in connection with the phrase "who shall hereafter participate in any proceeding under said section," and the Chair thinks that it does not change existing law but refers particularly to the appropriation carried in this bill. If some expression similar to the word "hereafter" should not be inserted, it might be considered to be retroactive; that is, prevent some one who has already served under such conditions from receiving his salary. The Chair has examined a number of precedents, and they seem to substantiate his view. The Chair therefore overrules the point of order.

Mr. BYRNS of Tennessee. Mr. Chairman, may we not have the amendment again reported?

The CHAIRMAN (Mr. LEHLBACH). Without objection, the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the amendment offered by Mr. HOCH.

Mr. HOCH. Mr. Chairman—

Mr. WOOD. I will say to the gentleman and the committee that so far as I am concerned we will accept that amendment.

Mr. HOCH. Mr. Chairman, do I have the floor?

The CHAIRMAN. Yes; if the gentleman wants to take the floor after the amendment is accepted.

Mr. HOCH. *I think I have the floor, and I desire to make a brief statement to show what this amendment is. I am glad, of course, that the chairman says that personally he will accept it.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. HOCH. When I make a brief statement then I will yield. I want to say at the outset I have no personal attack to make, and no one need be fearful that I am going to make a personal attack upon somebody. I am not going to question anybody's motives—I have nothing of the sort in mind—but I am deeply interested in the high standing of the Tariff Commission before the country, and I desire briefly to refer to the situation which led to this proposed amendment. In the last tariff act we imposed upon the United States Tariff Commission a new and very responsible duty. In the so-called flexible tariff provisions of the law we constituted the United States Tariff Commission a quasi-judicial body, directing them to hold hearings as to the difference in cost of production at home and abroad on different commodities under regulations; and upon findings which they make the President of the United States, without any further action of the Congress, is empowered to raise or lower duties 50 per cent from the duties established in the tariff act. Now then, as one of the sincere believers in that movement and in the belief that we were taking a forward step toward scientific tariff making, I have been, and I am sure every Member of this House has been, sincerely interested in seeing the Tariff Commission conduct its inquiries under these highly responsible duties in such a way as would leave it above all suspicion of special interest. Immediately upon starting to carry out their duties under these provisions a rule of procedure was offered by one of the members of the Tariff Commission which provided, in effect, what I have set out here in my amendment.

A division arose in the commission, a sharp line of division, which for many weeks threatened to keep the Tariff Commission from functioning. Three members of that commission voted in favor of the rule and three against it. I do not question the motives of the gentlemen who voted against that resolution, but I say that in taking that action, in my judgment, they brought upon the Tariff Commission widespread criticism to which they should not have subjected it.

Mr. CROWTHER. Will the gentleman yield?

Mr. HOCH. I will yield.

Mr. CROWTHER. Would the gentleman mind saying who that Member was that introduced that rule or that resolution for procedure?

Mr. HOCH. I have no hesitancy myself in telling anything about it. But I do not wish to be understood as having anything personal in this matter. As I recall, and I have the proceedings here somewhere, I know that upon one occasion that rule of procedure—which is the common rule applying not only in every court of every civilized country and in every quasi judicial body similar to this one—the rule that in a hearing in

which a Member had a direct pecuniary or personal interest he should step aside—was offered by Commissioner Culbertson. The issue arose acutely in the sugar hearings upon which they had recently been engaged, and Commissioner Glassie stated at the opening of the hearing that his wife and members of her family were directly interested in the sugar business. He stated—I have a transcript of the testimony here—that his wife was owner of 14 shares of the par value of \$100 each in a sugar mill and plantation in Louisiana; that the par value of the stock of the company was something like \$200,000, was owned exclusively by immediate relatives of the family; in fact, entirely by her and her brothers, I believe.

Now, I do not say that Commissioner Glassie had any improper motives. I am willing to believe that Commissioner Glassie might absolutely lean backward against the interest of the sugar people with whom he was connected; and if that be true, it only emphasizes the need of this rule. That would be unfair to the sugar people with whom he is directly concerned.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HOCH. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent for three minutes more. Is there objection?

There was no objection.

Mr. HOCH. Now, I could extend this discussion and go into this matter more fully, but let me simply say in conclusion that I propose in this amendment no unique rule of procedure, nothing new in legal ethics. I have here a letter, for instance, on the subject in question, written several months ago by the chairman of the Interstate Commerce Commission. Let me read a paragraph from that letter, written on May 11, 1923, and signed by B. H. Meyer, chairman of the Interstate Commerce Commission. Remember that the law with reference to the Interstate Commerce Commission is quite similar to this case. He says:

No member of the Interstate Commerce Commission participates directly or indirectly in the disposition of any matters with which he has heretofore been connected or in which he has a financial interest, directly or indirectly. This has been the rule as long as the commission has been in existence.

I am jealous for the effectiveness of the Tariff Commission in the performance of its duties under this provision, and—

Mr. BLANTON. The chairman of the committee has already said he accepted the gentleman's provision. Does not the gentleman fear that he will speak it to death?

Mr. HOCH. I was afraid the gentleman from Texas might speak in favor of it and cause it to fail. [Laughter.]

Mr. WEFALD. In this connection I think the gentleman from Kansas has presented a very good amendment. I am glad he has discussed it, and I would be glad if he would discuss it some more.

Mr. HOCH. I will just say this in conclusion: The effectiveness of the Tariff Commission in the discharge of its duties will depend entirely upon the confidence in which the commission is held by the public, and the commission can not maintain that confidence unless it applies to its proceedings the same ordinary rules of procedure and legal ethics that obtain elsewhere.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. HOCH. Yes.

Mr. BANKHEAD. I would like to hear the gentleman tell what was the official upshot of that proposed rule.

Mr. HOCH. It was not adopted. It required a majority to adopt it, and there was no majority.

The CHAIRMAN. The time of the gentleman from Kansas has again expired. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TREADWAY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TREADWAY: Page 23, line 7, strike out the figures "\$671,980" and insert in lieu thereof "\$771,980."

Mr. WOOD. Mr. Chairman, I move that the committee do now rise.

Mr. TREADWAY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TREADWAY. The amendment I have offered will be pending at the next session of the committee?

The CHAIRMAN. Yes. The gentleman from Indiana moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE

Mr. GRIFFIN, by unanimous consent, was granted leave of absence for two days, on account of illness.

INDEPENDENT EXECUTIVE BUREAU

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent to extend my remarks on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ACKERMAN. Mr. Speaker and Members of the House, under the permission graciously given to extend my remarks on the independent executive bureau appropriation bill, I desire to call attention to the wisdom of the fact of appropriating the modest sum allowed whereby may be continued the adding of new specimens of stamps to the historic and interesting collection of stamps now available for inspection and splendidly mounted that are on view at the Smithsonian Museum.

The stamp act was one of the outstanding events in the early history of this great Republic. There were no adhesive stamps then, but the impression was placed on the parchment or paper by means of a hand hydraulic press in the same manner that seals are now affixed. The very thing that brought Congress together in 1765 was to remonstrate against the imposition of these new taxes, but there were no collectors then, so few of these stamped or impressed documents were then saved. However, commencing in 1840, when Great Britain, through the suggestion of Sir Rowland Hill, began the issuance of adhesive stamps, followed by Brazil in 1843 and the United States in 1847, stamp collecting has grown by leaps and bounds in every country in the wide world.

The Post Office Department, under Will Hays, Doctor Work, and Senator New, as Postmaster Generals, have recognized the utility of stamp collecting and also the possibility, yea, the probability of that hobby bringing in additional revenue to swell the post-office receipts by the sale of stamps for use by collectors as additions to their collections and for which no carrying service is rendered by the Government. That their expectations are in a fair way of realization may be inferred by a perusal of the following letter from the Third Assistant Postmaster General, Hon. W. Irving Glover, who writes as follows:

POST OFFICE DEPARTMENT,
THIRD ASSISTANT POSTMASTER GENERAL,
Washington, April 5, 1924.

Hon. ERNEST R. ACKERMAN,
House of Representatives.

MY DEAR CONGRESSMAN: I am in receipt of your favor of the 4th instant and inclose to you on a separate sheet the itinerary of the two trips of the United States philatelic exhibit and would give you the further information that the philatelic agency was established on December 6, 1921. For the fiscal year ended June 30, 1922 (seven months), the sales were \$20,706.50, and for the fiscal year ended June 30, 1923, they amounted to \$105,317.03, while for the nine-month period ended March 31, 1924, the sales were \$104,316.93, and we figure that in the remaining three months we will do nearly \$40,000 worth of business, bringing the sum total for this fiscal year to almost the \$150,000 mark.

If this is not all the information you were desirous of obtaining, please do not fail to call on me for that which you may have in mind.

Very sincerely yours,

W. IRVING GLOVER,
Third Assistant Postmaster General.

Last year in the city of London a great international stamp exhibition was held, and at my suggestion our Post Office Department was asked to participate therein. A fine exhibit was prepared of current issues at practically no expense to the taxpayers, and Mr. Glover took it over to the exhibition, where it obtained a special medal and a ribbon of honor. After the exhibit was returned to this country so great had the interest in it been manifested that it was sent by registered post to the various post offices of the country in order that as many citizens as possible could avail themselves of an opportunity of seeing

the exhibit. The first trip was such a great success that the exhibit was sent on a second trip, which has not as yet been concluded. The itineraries were as follows:

ITINERARY OF THE UNITED STATES PHILATELIC STAMP EXHIBIT

FIRST TRIP, 1923

Indianapolis, Ind., August 25-September 8.
Chicago, Ill., September 8-22.
Detroit, Mich., September 22-October 6.
Marion, Ohio, October 6-13.
Cleveland, Ohio, October 15-20.
Buffalo, N. Y., October 22-27.
Syracuse, N. Y., October 29-31.
Boston, Mass., November 1-8.
Portsmouth, N. H., November 9, 10.
Providence, R. I., November 12-15.
New York, N. Y., November 16-24.
Philadelphia, Pa., November 26-December 1.
Pittsburgh, Pa., December 3-14.
Wilmington, Del., December 17-21.
Baltimore, Md., December 22-27.
Washington, D. C., December 28.

SECOND TRIP, 1924

Elizabeth, N. J., January 25-26.
Plainfield, N. J., January 28, 29.
Newark, N. J., January 30, 31.
Englewood, N. J., February 1, 2.
Cincinnati, Ohio, February 6-9.
Louisville, Ky., February 11-13.
St. Louis, Mo., February 15-20.
Kansas City, Mo., February 21-23.
Topeka, Kans., February 25-27.
Lincoln, Nebr., February 28, 29.
Omaha, Nebr., March 1-4.
Cheyenne, Wyo., March 6-10.
Denver, Colo., March 12-15.
Ogden, Utah, March 18-21.
Salt Lake City, Utah, March 22-25.
Reno, Nev., March 26-29.
San Francisco, Calif., March 31-April 5.
Los Angeles, Calif., April 7-12.
Portland, Oreg., April 15-19.
Olympia, Wash., April 21-23.
Tacoma, Wash., April 24-26.
Seattle, Wash., April 28-30.
Helena, Mont., May 3-7.
Bismarck, N. Dak., May 10-14.
Minneapolis, Minn., May 17-20.
St. Paul, Minn., May 21-24.
Sioux Falls, S. Dak., May 26-29.
Madison, Wis., June 2-5.
Milwaukee, Wis., June 6-10.
Chicago, Ill., June 11-18.
Washington, D. C., June 20.

So great has been the demand for Government stamped paper for use by collectors that the department has had to secure additional quarters and clerks in order to take care of the great volume of business as the current circulars will show.

POST OFFICE DEPARTMENT,
THIRD ASSISTANT POSTMASTER GENERAL,
Washington, April 10, 1924.

To patrons of the philatelic agency:

On May 1, 1924, there will be first placed on sale at the philatelic agency, room 216, new city post office building, Washington, D. C., the following new stamps:

Commemorative issue—Huguenot Walloon tercentenary

	Cents
Green: "The Ship" (The New Netherlands).....	1
Carmine: "Landing of Walloons at Fort Orange" (Albany).....	2
Blue: Monument at Mayport, Fla.....	5

1922-23 ISSUE

Blue: Coin (Roosevelt), 5 cents

The philatelic agency has been entirely reorganized since sending out the last circular. However, in view of the fact the agency has over 10,000 patrons on the mailing list, it necessarily means that when circulars of this character are issued the agency is deluged with orders. It shall be the strict policy of the agency to fill all orders in their regular turn of receipt, as it has been in the past. Patrons can therefore cooperate with the agency by refraining from making inquiries concerning their orders which are not filled within two weeks.

The many inquiries received from patrons in the past during the periods of special issues have to a large extent retarded the filling of orders. Every effort will be made by the agency to fill orders immediately on receipt, if possible to do so, in order that patrons may not be inconvenienced.

(Stamps sold at face value. None sent on approval. Make remittance by money order, draft, or registered letter. Include return postage and registry fee.)

Last year Congress recognized the historical, esthetical, and far-reaching educational value of the science of philately, or stamp collecting as it is called, by passing an act permitting the printing of illustrations of stamps, when canceled, in regular publications, the same to be printed in black only when the subject was a foreign stamp, and when a stamp of our own country was to be illustrated only the frame thereof could be shown, and then only when made four times the size of the original in order that there could be no possibility of counterfeiting. These concessions greatly increased the interest in the hobby, as is shown by the greatly increased sales at the philatelic agency of the Post Office Department, as there are nearly a million collectors in the United States and Canada; the annual increased revenue to the Government from this source alone will undoubtedly exceed a quarter of a million dollars in the near future. Such an amount would pay for all our commercial attachés in the field for the promotion of export trade or many times the amount now allowed for the promotion of domestic commerce.

Thus it can be seen that the financial and educational effect of encouraging this clean, upbuilding, instructive hobby has a worth far greater than is perceptible at first.

All classes and ages, from the lowliest and youngest to the most influential and the oldest, and also both sexes, become devotees of this fascinating pursuit, which has no deleterious effects and which if pursued along proper lines is not only a source of pleasure but may become of substantial profit in the event that the hobby for any reason is abandoned. Governments could not do better than to assist in such a meritorious pursuit as this one.

An article in *Ewens Weekly Stamp News*, which has published over 1,000 numbers, gives the number of collectors on the globe at 2,930,000, and the number of collectors annually buying one or more catalogues at 250,000.

Another authority gives the number of collectors in the respective countries as follows:

Germany	440,000
Austria-Hungary	110,000
Great Britain	363,000
Russia, Scandinavia, Spain, Portugal, Italy, Balkan States	60,000
France, Belgium, Netherlands, Switzerland, Luxemburg	300,000
United States and Canada	1,000,000
Mexico, Central and South America	20,000
Africa and Australia	10,000
Asia	20,000

Total for the globe..... 2,323,000

These figures are believed to be substantially accurate. In any event they indicate the growing popularity of philately, which has far outstripped that of numismatics, or coin collecting, which for centuries has been looked upon as well worthy of high consideration not only by all civilized governments but by the most distinguished savants and literati. Our own Government at the Smithsonian Institution maintains a curator and publishes a list of the stamps of the United States issued up to 1920, and by reason of this legislation the pages of the catalogue may in the future be embellished with illustrations, thus increasing its usefulness to the average collector.

The long line of literature which has been issued touching upon philately in later years has been added to by the issuance of a "Who's Who," wherein may be found the names of celebrities, from the rulers of the greatest nations, princes of royal blood, to statesmen, admirals, generals, actors, foresters, singers, and philosophers in all parts of the globe. Even schools are advocating classes in the science. All these classes have recognized the intellectual value of this hobby. Its far-reaching educational value is accompanied by a charm of persistence which grips the enthusiast by a devotion that never can be totally eliminated.

ADJUSTED COMPENSATION

Mr. ALLEN. Mr. Speaker, the bill under consideration is one which does not present particularly any sensational feature or demand any real enthusiasm. It was expected, but not at all desired. Any duty gratuitously and generously performed deserves recognition, regardless of the conditions or circumstances under which it was rendered.

A person in war service runs a great risk, accepts a very hazardous duty, and is tendered but little gratitude. It has been truthfully said that one America went into the war and a very different America remained after the war.

The propagandists and misers who take pains to paint dismal pictures of the demoralizing effects of the great struggle upon the Nation forget that there was one tremendous gain: The war restored National consciousness; it made the American people for the first time in generations really act and think and move as one body.

Much of the old world was drawn into the cyclone of destruction which burst upon humanity in 1914. It was evident from the very beginning of Germany's assault upon Belgium and other nearby nations that practically the whole world would soon be drawn into the conflict. It was a great harvest for America as long as she remained neutral and furnished supplies to those engaged in the conflict. However, this could not last long without producing a howl of jealousy, and when the bombs began to retard our prosperity, we too went into the fray, with our coats, our hats, our wealth, our patriotism, and the choicest of our humanity. Those who looked on could not yell loud enough, they could not give good enough, and they could not pray long enough. Such promises were made that it was thought that nothing in the world could ever break them; such kindnesses were bestowed that it seemed that friendship would last forever. But the worst of it is that some of the heroes never came back, and those who did found that friendship, praises, and promises had vanished.

Those who remained at home, at the expense and honor of those who went over, had made use of the opportunity of their lives to become independent, while those who went to the trenches lost the opportunity of their lives and faced poverty and distress.

It is not likely that such a war will occur again, but suppose one should break out, bringing a demand for half the number of soldiers and half the amount of wealth that the World War demanded. Would not the manhood of our country hesitate to volunteer upon the same promises that were made before when they remembered how those promises were kept? To accomplish good results and keep peace in the family, all the members of the household must be allowed to put their feet under the table once in a while. The errand boy, the chore boy, the maid, and the sewing girl grow weary standing back and waiting all the time.

Practically every employee of the Government received extra pay, called a "bonus," of \$240 a year during the war. They were living in comparative luxury and undergoing no hardship. The soldiers were enduring every hardship, and those who lived through the war had their health impaired, and many of them contracted diseases which were to carry them to their graves almost before they were able to shed their uniforms.

Nearly every institution which rendered the Government any war-time service was fully recompensed for it. The factories, the railroads, the steamships, in fact, every concern which suffered any loss whatever, was amply repaid, and in many instances more than paid.

Some claim that the payment of an adjusted compensation would commercialize patriotism. As stated before, all classes of our citizens, our railroads, our banks, workmen of all kinds received the greatest value for their services. If these people who remained at home had had to relinquish the profits which they received during the war and had had no more comforts and no better opportunities than those who went to war, there would have been an insurrection. And just as surely, unless the soldiers are paid as they should be, the Government will have broken its trust to humanity and will have set up a course of discrimination which will be remembered in generations to come.

Opponents of the bonus say it will open the way for graft; such ideas are ridiculous and are advanced by the propagandists. And they tell us that those who remained at home suffered loss in many ways as much as those who went into the service. For instance, we are told that we stayed at home and ate brown bread and did without sugar, while the soldiers had white bread and plenty of sugar. This is the way we suffered loss here while they were in the trenches or were going over the top. But all that time we were being paid and they have not yet been paid.

It has always been the policy of the United States to reward its soldiers for great service; why should we depart from this policy now? It is my opinion that they will be paid sooner or later, if they have to elect a two-thirds majority in Congress to do it, so we may as well do it now.

I am extremely anxious for those who are sick and afflicted; they should be cared for and cared for at once. The death rate is increasing; the men are badly treated, neglected, their cases are not properly diagnosed; many a sufferer is told there is nothing the matter with him and sent back home, soon to be remembered only by a small white stone.

People are not thinking properly about this matter. They are not thinking seriously and justly, and some day they will be repaid for their carelessness and neglect.

It is a matter of fact that the present insurance plan is another phase of political propaganda, not from a partisan standpoint but from a financial standpoint. A majority exists on both sides of the House in favor of a cash compensation, which no doubt would be the most satisfactory to everyone, but so many feel that if the present plan is defeated it would be so discouraging to the cause that great harm would result.

I can see in this plan the possibilities of benefits to the men's families, and, while this is not the best plan, I, like many others, am forced to accept it for the present in the hopes of getting a better one in the future.

Mr. JOST. Mr. Speaker, I desire to make a few observations concerning my vote on the World War adjusted compensation act, H. R. 7959.

This measure was presented on the 18th instant under a cloture rule applied by the majority with the deliberate design and purpose of suppressing liberty of speech or any modification of the measure. Even the usual and customary courtesy to Members to extend their remarks in the Record touching any public business was refused.

As it happened, the measure met with my approval, but I did desire and do now desire to state in the Record the reasons for my vote, to the end that my position in regard to this subject may be thoroughly understood.

I voted for the suspension of the rules and for the passage of this so-called "World War adjusted compensation act." I would allow my vote to go without comment but for the probability that by Senate amendment or otherwise this measure may fall of passage and a substantially different one be substituted therefor and the question again presented to the House. In the event of such a contingency I shall, as I did in the instant case, judge any new proposal from the material contained within its four corners and vote either for or against it, according as to whether I find it in harmony with or antagonistic to what I conceive to be the very right of the matter.

There are some fundamental principles of the Democratic political faith which, in my judgment, are too sacred to be thrown away or put aside even for the sake of political expediency and profit. It is a jeweled tenet of the Jeffersonian doctrine that the Government should never impose a tax for private benefit or advantage, or for any other than a plain public purpose. Private bounties and subsidies run counter to and are abhorrent to the very essence of democratic philosophy.

The principles of the Republican Party are exactly the opposite. That party believes in the practice of handing out private subsidies and in encouraging and underwriting private effort. But for that it would never have been fashioned and could not continue. The tariff bounties alone have tremendously enriched a few at the expense of the many, and classified our people into one comparatively small group of tribute takers, and all the rest into tribute payers. The Republican Party has not hesitated to indemnify sugar brokers and contractors of all kinds and description from threatened or actual loss under war contracts. It has nonchalantly and without protest or interference permitted the war profiteers to retain the huge pecuniary gain derived from the Nation's expenditure of blood and tears. But now, when the defenders of the flag, who offered body and life to maintain the integrity and prestige of the Nation, ask for a cash bounty in recognition of their services, the Republican Party examines nicely and minutely into their demands and gives a promise to pay in 20 years instead.

The Democratic Party, with its habitual hostility to private grants, might be expected to hesitate and even refuse its consent to a soldier cash bonus; but the Republican Party, with a traditional propensity to write orders on the public purse to gratify private demands, should by habit and inherent inclination have promptly honored the ex-service men's request in whatever form desired. The most the ex-service men have ever asked has been insignificant to the amount heretofore taken by the Republican Party from the public and turned over to classes especially favored by the tariff and other bonus subsidies and indemnities.

This measure is neither a bonus nor an adjusted compensation; it is a promise on the part of the Government to pay 20 years from date, or in the event of intervening death, that

which it would be obliged to pay anyway by way of pension or other relief. The Nation is committed to a pension policy. The present method of handling compensation claims in the Veterans' Bureau is a provisional expedient. With more than 50 per cent of the disability claims rejected, the Government is expending right now at the rate of \$10,000,000 per month on that phase of veterans' relief alone.

From every side come increasing complaints of the disabled veteran and his insistent and touching plea for more liberal treatment. Sooner or later we will be shamed into giving it; and when we treat him as an honorable servant whose body was broken in our service, instead of dealing with him as a suspicious grafter, the Nation's bill to its disabled veterans will be instantly augmented at least one-third by the admission of legitimate participants now inhumanly excluded. Bodies weakened by war service will break up more and more rapidly as age comes on, until 20 years hence the cost in pensions to the recent defenders of the Nation will be stupendous. This bill is an appropriate absorption of part of that liability. The character of the certificates issued and the manner of payment thereof is perfectly consistent with the pension idea and can ultimately be adjusted to and with such permanent scheme as will ultimately be necessary. In deed and in truth this measure is the first written chapter in a necessary pension law.

This idea is sensed by Mr. Paul J. McGahan, commander of the District Department of the American Legion, who in an interview in the Washington Post of March 19 commented on the vote of the House and said, among other things: "Obviously the lawmakers are now fearing the bugaboo of future pensions. The insurance plan will help them in that direction."

My vote on this measure will be found to be in agreement with all I have said and done in relation to this subject.

In January, 1924, I offered the following resolution in this House:

House Resolution 135

Resolved, That it be the sense of this House that consideration of and action on all measures, whether now pending or hereafter introduced, providing for a bonus or adjusted compensation for veterans of the late World War, be postponed until such time as the House shall have formulated and acted upon a measure calculated to provide adequate pensions and other relief for crippled, disabled, and infirm soldiers and sailors of said war, and widows and children of deceased veterans.

Since the President of the United States in his message delivered to this Congress declared himself fervently for the very same proposition, it would naturally be expected that such a declaration would meet with the immediate favor of the majority of the House, instead of which the resolution was referred to the Rules Committee and there buried.

However, the press took notice thereof and requested and were given interviews concerning the purpose of the resolution. The substance of this interview appeared at the time in the New York Times and other papers in the East and Middle West. The entire interview appeared in the St. Louis Globe-Democrat January 6, 1924:

I read from that paper:

Commenting on the resolution, Mr. Jost said:

"This resolution is intended to bring acutely to the attention of Congress the Nation's obligation to first care for the soldiers and sailors who have been crippled and maimed in service. On this proposition I am in perfect agreement with the President. The magnitude of this obligation can be readily appraised when it is understood that the report of the Veterans' Bureau shows that approximately one of every five soldiers in the late war has filed a claim of disability against the Government, and that with approximately 60 per cent of these claims rejected the Government is expending close to \$10,250,000 monthly on this phase of veterans' service.

"2. The late war was peculiar in that its fatalities and toll were and are not readily ascertainable. The disabilities that came from wounds directly inflicted are trifling compared to the numbers of soldiers whose minds were wrecked by shell shock, whose lungs were eaten out by gas, and whose health was impaired and undetermined by exposure. Many a boy who thought he came through all right and sound is a potential, mental, and physical wreck, and proof of this is being daily manifested to an increasing degree.

"The Government has pursued what to my mind is a niggardly policy in handling their claims. The presumption seems to be against the good faith of such a claim; it should be exactly the contrary. A soldier who has been impressed into the Nation's service and who has periled his body to uphold the flag and maintain the integrity of this Government should never be required to prove that his claim for lost health is an honest one. His word

should be accepted as readily as his service was, and the burden should be upon the Government to prove the contrary.

"3. The pension list of the late war will be appalling within the next 10 years. It will exceed by far the aggregate of all that has been paid out in pensions and relief for all other wars in which this young Republic has been engaged. For the next half century, it will be the biggest item in the Nation's annual financial budget. We should start right now to take it into account. Any other course is not only ingratitude, but downright neglectful business. The American Legion would be on high ground if it would place an adequate pension and relief law as the preferential item on its legislative program; it is regrettable that it does not.

"4. The bonus does not hit the mark truly and equitably. It sows money as a farmer sows oats. It gives to the swivel-chair soldier exactly the same treatment as it deals to the boy who put his body up for a target. It puts the able-bodied man on an equality with him who had his arm shot off or his lungs burned with gas.

"In the way it is being shaped up, the bonus is dead wrong in principle, and yet a home grenadier like myself is scarcely in a position to analyze the problem so nicely.

"Going a step further, the big business of the country which has fattened on continuing tariff bonuses ought to be the last to complain about giving a cash bonus to the soldiers who kept the flag flying and the business of the Nation going. There is at least a limit to the amount of this proposed soldiers' bonus, while the tariff bonus goes on forever.

"5. A poor Congressman who would like to maintain independence of mind is not without difficulty between the powerful Legion lobby and the well-organized commercial interests who are supporting the so-called Mellon program. It is easy enough to understand the measure of the Legion's power; it lies in the threat of its vote at the primary or at the polls. But who is paying for the expensive advertisements and news articles in the nature of advertisements which in almost every newspaper and periodical of the country are spreading the propaganda that a soldiers' bonus means that there can be no reduction in taxation? It is the most clever political trick of the age. It has made business nervous the country over, and yet one need go no further than Secretary Mellon's own figures to refute such a misleading and inaccurate statement. The Secretary says that a surplus is piling up in the Treasury at the rate of \$300,000,000 per year. It is agreed on all hands that the bonus if granted will call for approximately \$4,000,000,000 in the aggregate, which will be liquidated at the rate of \$80,000,000 per year plus interest. It is a simple matter of calculation therefore to determine that even with the granting of the bonus there will be an annual surplus of \$200,000,000 available for the purpose of tax reduction.

"6. The Mellon proposition in general proposes to stop the accumulation of this surplus by reducing taxes on incomes, which is well enough, albeit those with large incomes under his plan will derive the lion's share of the benefit. But grant everything he asks, the cost of government will still remain as high as now. The real cost and expense of government lies in the innumerable boards and bureaus and government agencies which have been insidiously multiplied in late years to a point that has enslaved and embarrassed business until there is no longer any free and unregulated industrial effort in this country.

"If Mr. Mellon were to make a survey and catalogue these offensive and meddlesome agencies and propose a measure to strike them out of existence, he would then really bring about a reduction in the cost of government, and thereby reduce taxes a hundredfold over that of his present plan and in a way that would be really helpful, both to the taxpayer and business. On any such a proposition as that he can have my voice and vote any time and as often as he makes the effort."

That interview provoked some editorial comment and for a time I had a brisk and considerable correspondence on the subject. It was generally taken and understood as an indication that I would vote against a bonus.

A typical example of letters passing between myself and constituents is the following (initials instead of name of my correspondent are given since he is employed by an institution opposed to the bonus):

KANSAS CITY, MO., January 23, 1924.

DEAR SIR: Largely because of your announced friendliness to the adjusted compensation bill, I voted for you in the primaries and in the general election and influenced my wife, my mother, my four brothers and their wives to vote for you also. I believe it the duty of all friends of the veterans to work and vote for men who will work and vote for this legislation, and work and vote against the men who do not back the soldiers' adjusted compensation bill.

I believe the people of Kansas City are convinced of the justice of this legislation. I do not believe that they have been misled by the propaganda put out to the effect that there can be no cut in taxes if the adjusted compensation bill is passed. You yourself know how little influence the chief opponents of this legislation have in Kansas City when election day rolls around.

I also remain to be convinced that the Mellon plan of tax reduction is as favorable to the little fellow as it is to the big taxpayer.

Feeling certain that you like to hear from your constituents on such important matters as these, I have taken this liberty in order that you may know where at least one stands.

Yours very truly,

W. P. R.

To which letter I replied as follows:

JANUARY 29, 1924.

Mr. W. P. R.,

Kansas City, Mo.

DEAR MR. R.: This in acknowledgment of yours of the 23d.

I presume your letter was inspired on account of a recent article appearing in the Kansas City Star, giving a portion of my recent interview in relation to the pending soldier bonus legislation. While my interview was given to a reporter of the Star in connection with a resolution which I was offering in the House, the material appeared in the New York Times and other eastern papers in substance much more fully than it did in the Star, and entirely in the St. Louis Globe-Democrat of about the same date. I am inclosing herewith a copy of the interview as it appeared in the Stars and Stripes, the official publication of the American Legion, which, as you will observe, is a little more full than the Star accorded the interview.

1. You say that "largely because of (my) announced friendliness to the adjusted compensation bill" you voted for me in the primaries and general election and influenced your wife and your mother and your four brothers and their wives to vote for me. I am sure that you do not mean to assert that I have ever declared myself unqualifiedly for a soldier bonus (or, as you term it, an adjusted compensation), or, for that matter, against it, for I know I have not done so. It has always been a fixed principle of mine, never departed from in a single instance, to enter office without any commitments or pledges of any kind or character. I would not care for any public position on any other terms.

During the campaign I received questionnaires and written interrogatories by the wholesale, demanding of me a definite commitment on every conceivable subject of prospective legislation. These, without exception, I declined to answer in any manner, except that I would try to understand the subject and vote according to what I conceived to be the right of the matter. I am sure that my public utterances during the campaign and since were and have been in harmony with this determination and such has continued and will continue to be my course.

During the campaign I did denounce the Republican administration for granting bonuses to the rich manufacturers by way of tariff subsidies and to the profiteers and the ultra rich by relieving them of their excess-profits tax, while at the same time withholding the bonus for the soldier; and in connection, did say that if any class were to be given bonuses, those who fought the Nation's fight in positions of danger should be preferred to those who stayed at home and fattened financially. And I say so still. But this should not be construed to mean that I am in favor of a bonus to anybody. Certainly I did not mean to have it inferred from that argument, and I am sorry if you or any one else did infer therefrom that I would vote unconditionally for a proposed bonus law regardless of its scope, and without consideration of other necessarily related matters.

A measure proposing to grant a bonus, within the ability of the Government, to soldiers who were sent to the battle line in France, would not give me any serious trouble. (There were approximately 1,400,000 of these men.) Indeed, I think these particular veterans are entitled to anything that they ask for within the ability of the Government to pay. But I can not bring myself into quick agreement with the fairness of a proposition to give public taxes to some 3,500,000 others who were never in a place of peril, and who for the most part were improved rather than harmed by the service.

Over and above all this, I think the scramble between the American Legion and the capitalists to see which shall have the bonus, while the crippled, maimed, sick, and helpless soldiers, and families of deceased soldiers of the late and other wars are left inadequately provided for, is a near national disgrace. I am for the helpless first. Of the correctness and justice of this position I have not the slightest doubt.

2. I realize the force of all you say about votes at election time. I understand from your letter quite clearly that the votes of yourself and family and those which your industry produced and can produce may be given to me in the next primary and at the next election according as to whether or not I support a soldier bonus measure. I quite appreciate the fact that from that standpoint it would be the popular thing for me to declare without qualification that I will vote

for a soldier bonus bill, but I can not do that. Whether I do or not finally vote for such a measure will depend upon what my conscience and best judgment at the time convince me is right. If this course ultimately proves to be not satisfactory to the voters of my district, then private instead of official life will be more agreeable to me.

3. I have written you at length because the considerations which from your letter manifestly caused you to vote for me and the basis upon which you will continue to give or withhold your support are so frankly and pointedly stated that you are entitled to more than passing acknowledgment.

Moreover, I am very anxious to keep your good will, and I hope that I may be able to convince you by what I have written of my good faith and my desire to really do the right thing here. If I have done that much, I am satisfied; otherwise I regret that having voted for me you should find yourself sorry for it.

Yours very truly,

HENRY L. JOST.

Thereafter the city central executive committee, American Legion, for Kansas City, Mo., addressed the following communication to me:

KANSAS CITY, MO., January 28, 1924.

HON. HENRY L. JOST,

Congressman, Fifth Congressional District of Missouri,
House of Representatives, Washington, D. C.

HONORABLE SIR: I have been instructed by a unanimous vote of the city central executive committee in its regular meeting to respectfully request that you advise this committee of your attitude on the national adjusted compensation bill. If it is possible, we would be greatly pleased to have you answer definitely the following questions:

1. Do you intend voting in favor of the national adjusted compensation bill when it reaches the House?
2. Are you in favor of an early consideration of the bill?
3. Are you in favor of considering this bill immediately after the tax bill?
4. If this bill should be vetoed by the President, will you vote for the bill to be passed over the President's veto?

As we are arranging a meeting to be held in February to discuss the subject of national adjusted compensation, I would appreciate as prompt an answer as convenient.

Very respectfully yours,

CHAS. W. BARTLETT,

Chairman City Central Executive Committee, American Legion.

To which I responded thus:

JANUARY 31, 1924.

MR. CHARLES W. BARTLETT,

Chairman City Central Executive Committee, American Legion,
Railway Exchange Building, Kansas City, Mo.

MY DEAR MR. BARTLETT: I am pleased to acknowledge yours of the 28th and note your four interrogatories concerning pending soldier bonus legislation.

Both during the campaign and since I have declined to answer categorical questionnaires which called for a "yes" or "no" answer. My view of it is that a legislator is no more justified logically in declaring that he will vote one way or the other on a proposed measure before the measure is put into shape so that he knows exactly what it is than is a judge in rendering a decision before he has heard the evidence.

Very early in the present session of Congress I offered a resolution which undertook to have the House declare its policy to be that soldier bonus or adjusted compensation legislation then pending or thereafter introduced should be postponed for consideration and action until the House shall have first formulated and enacted a measure calculated to provide adequate pension and relief for crippled and disabled soldiers and sailors of the war and for the widows and orphans of deceased veterans of the war. That resolution has been held by the Rules Committee thus far without action. At the time that the resolution was introduced a reporter for the Kansas City Star requested an interview on the subject and purpose of the resolution, which I gave. A considerable part but not all of the interview was published about the same time in the Kansas City Times; it was published in the St. Louis Globe-Democrat in full, and more fully in the Stars and Stripes, the Legion paper, than appeared in the Kansas City Star. I am inclosing the material as it appeared in the Stars and Stripes of the edition of January 12. From this you can readily determine that, in the present state of my mind, I shall, if and when opportunity affords, vote to suspend any consideration of and action on bonus or adjusted compensation legislation unless and until adequate provision is first made for the sick and disabled soldiers. I am absolutely sure of the correctness and justice of this position.

Independently of and distinct from the above considerations you will also gather from that interview that I am not at all impressed that the present and pending measures undertaking to provide a soldiers'

bonus and adjusted compensation are equitable or fair. I can not bring myself into agreement with the proposition that the three and a half million soldiers who were never in a position of peril or danger are entitled to receive the same gift of money from the National Treasury as it is proposed to give to the 1,400,000 soldiers who were sent into the battle line to be shot at. This latter class, by reason of the perils to which they were subjected and the wonderful and splendid service that they gave in their post of danger are entitled, in my mind, from all moral considerations to anything they want and within the ability of the Government to give. But as to the others who were for the most part improved, rather than harmed by their military service, I must revise my present views before I will accede to the proposition that they are morally entitled to a so-called bonus.

If anybody can show me where I am wrong in this reasoning or in what respect my conclusions are erroneous, I shall be glad to have him do so, for I would really like to vote right on the subject. But, of course, the obligation is upon me to determine what is right and this determination must be arrived at without fear or favor or partiality.

Yours very truly,

HENRY L. JOST.

From what I have said it must be obvious to anyone that I would not have voted for any measure paying a direct cash bonus out of public taxes to able-bodied service men who were never in the battle zone, and that if this measure is modified by the Senate to achieve that purpose I can not then consistently support it.

MR. SWANK. Mr. Speaker and gentlemen of the House, the soldiers' adjusted compensation bill is but a name. It would be unfair to the American soldier and to the people to say that his compensation will be adjusted properly and equitably under this bill as it passed the House, and yet we find much propaganda coming to our offices and carried in the press for the purpose of influencing the Members of Congress in casting their votes on this bill. I do not believe that there has ever been a Congress since the adoption of our Constitution that has been flooded with such propaganda. Much of this comes from the big money-grabbing, selfish interests, many of which profited so enormously during the war. If these concerns would only distribute the large amount of money used for propaganda to our disabled soldiers it would be much better for the people of this country.

Under the first amendment to our Constitution the people have the right to petition Congress for redress of grievances, and no one would abridge the provision. Yet the soldier has not sought that right, like many of the big, selfish interests have, in attempting to prevent Congress from compelling them to pay their fair share of the taxes necessary for governmental expenses. Every citizen has the right to freely express himself and to petition Congress and the President for legislation in which he may be interested. If the soldiers had used even a small amount of the funds for propaganda purposes that has been used, and is still being used, by certain interests to reduce taxes on great incomes, the adjusted compensation bill might have been a law long ago.

The bill should have passed the last Congress and the soldiers received the benefits of the legislation ere this. It passed both Houses of Congress, only to be vetoed by the President. I am glad that March 23, 1922, I voted for the passage of that bill. On that vote there were 333 for the bill, 70 against the bill, 4 answered present, and 22 did not vote. The House of Representatives very promptly passed the bill over the veto of the President, and I voted for this, but it did not get by the Senate. On the vote September 20, 1922, in the House on the veto 253 voted for the passage of the bill, 54 against, and 115 did not vote. The President has the right under the Constitution to veto any bill passed by Congress, but I never believed that this veto was founded upon good reasons and just grounds.

It is not a price upon patriotism, as has been stated, for the soldiers could not be paid in money for their services in that conflict. The bill tends in a small way to equalize the pay received by these boys and those who profited at home.

The great majority of those behind the lines—that is, the civilians—did not come through the war with money, but some interests profited enormously thereby. It has been estimated that certain concerns profited to the extent of more than \$38,000,000,000, and if I were devising a method of paying this bill I would make some of these ravenous institutions that profited by the blood of our patriotic soldiers disgorge a good portion of their ill-gotten gains. In addition to this, had I the power I would write a more liberal bill than the one under consideration.

This bill provides for cash payments where the amount does not exceed \$50 and paid-up insurance where the amount is in excess of \$50. There are no other options in the bill as it was

reported to the House. It provides \$1.25 for service overseas and \$1 per day for service on this side. I favored, and still favor, an optional cash payment if the soldier in any case desires the same. The Committee on Ways and Means voted to exclude the cash payments in sums of more than \$50. On this vote in the committee 13 Republicans voted to exclude cash payments in excess of \$50, while 1 Republican and 11 Democrats voted for the provision. When the bill was considered in the House no amendment could be offered, and Members were compelled to vote for the bill without amendment or vote against it.

The bill is now in the Senate, where it can be debated and amended, and where I hope a provision for a cash option will be included. March 18, 1924, I voted for the bill again, and on this vote 355 voted for the bill, 54 against, 4 answered present, and 18 did not vote. We had no opportunity to speak when the bill was considered in the House.

The amount carried in the bill is but a small pittance compared to the money made by others during the war, and some of it through unconscionable contracts. The Government could not give that care to all these contracts during the war that could be done in times of peace, and many times that condition was taken advantage of to reap unfair returns. In many instances the boys were taken from their positions, drawn from the cities, towns, villages, and farms to don their suits of khaki, shoulder a gun, and fight the common enemy. All the world knows that they did a good job. It was the American soldier who saved the day and won the war. The well-trained hordes of the enemy in all their fighting career never fought soldiers like these "Crusaders from America." In many cases the families of these soldiers had to do the best they could until their provider returned. Many never came back and now sleep beneath alien skies in a foreign land. Their families can never be compensated. No legislation can ever pay them for their heroic loss. That is not the intention of this bill.

Mr. Speaker, "by their works ye shall know them." Not only have I talked and worked for this bill in this Congress, as in the Sixty-seventh Congress, but I have also had the pleasure of assisting many worthy soldiers of the World War with their compensation claims before the Veterans' Bureau, and have many claims pending now. I have filed evidence in many cases, appeared in person and argued their claims. It is indeed a pleasure to me to be in a position and to have the opportunity to assist them. In several cases I have been successful in having insurance policies reinstated for dependent ones after their heroic dead gave their lives in defense of humanity and their common land. As long as I am a Member of Congress I expect to pursue that course, and hope to assist in making the law of these cases more liberal. If this bill becomes a law it will assist those boys who have never received any compensation, although disabled. Many of these were in robust health when they enlisted for military service, and now can follow no occupation that will earn them a living on account of their disabilities.

It is not a promising prospect to hold out to these boys who fought, left their positions, many of them wounded and in bad health, to know that others who profited in building hospitals for their care are still running at large. The law was made to apply to all alike. This is not a condition that will inspire confidence in those who are charged with the administration of the affairs of government. Personally I want to see every person guilty of these abuses prosecuted to the fullest extent of the law. No person should be permitted to profit at the expense of the defenders of this Republic.

Many who oppose the adjusted compensation bill argue that it will be too great a burden upon the taxpayers of America and that the country can not afford it at this time. Many "official" estimates have been given out as to the cost. Senate Report No. 756, Sixty-seventh Congress, gives the estimate of the cost of the bill at that time for the four first years at \$612,949,465. The President in his veto message September 19, 1922, estimated the cost for the first four years at \$796,000,000. The Secretary of the Treasury in a letter December 18, 1923, estimated the cost for these years at \$1,027,286,568. These were estimates on the first bill considered in the Sixty-seventh Congress; but why the discrepancy in these figures? The fiscal year ending June 30, 1922, showed a surplus of \$313,000,000, which was about \$337,000,000 more than the Secretary estimated. He also estimated that the fiscal year ending June 30, 1923, would show a deficit of \$650,000,000; the year ended with a surplus of \$309,000,000, and the Secretary was in error almost \$1,000,000,000. Had the Secretary more correctly estimated the revenues of the Government in 1922, the adjusted compensation bill might now be the law and many a deserving soldier who has never received compensation, though disabled, would have re-

ceived a little needed money with which to buy some of the necessities of life.

In the Republican platform adopted in Chicago in June, 1920, we find the following:

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the obligation which a grateful Nation justly should fulfill, in appreciation of the service rendered by its defenders on sea and on land. Republicans are not ungrateful. Throughout their history they have shown their gratitude toward the Nation's defenders. Liberal legislation for the care of the disabled and infirm and their dependents has ever marked Republican policy toward the soldier and sailor of all the wars in which our country has participated. The present Congress has appropriated generously for the disabled of the World War.

Mr. Speaker, the valor of our soldiers is recorded in history and will live as long as time lasts. His heroic work is known to every schoolboy. Government assistance for the sick and wounded should be given to the fullest extent, but now we are discussing the adjusted compensation bill before Congress.

From the platform just quoted it was understood, and the soldiers were led to believe, that if that party was intrusted with power the bill would be enacted into law in the Sixty-seventh Congress. Campaign orators told the people that would be done if they were put in power. That party went into full control of all departments of government March 4, 1921, and yet we find ourselves trying to have this bill enacted after being vetoed by the President. But for that veto it would now be the law, and the boys would have received some of the benefits. I believe that individuals should keep their promises and live up to their contracts. A party platform is nothing more than a contract with the people of the country, and that contract should be strictly adhered to. Why did not the leaders of that party in the campaign of 1920 tell the people that it would not enact this bill? I am glad that this House passed the bill in the Sixty-seventh Congress over the President's veto, but that was not sufficient to have the bill enacted into law. "A tree is known by its fruit"; a party by its results and not by platform pledges.

The House of Representatives will again pass this bill over the President's veto if that action becomes necessary. This House "went over the top" for the boys before, and will do so again. Propaganda will not deter nor mislead us. I know soldiers now deceased from disabilities caused by their military service and whose widows and children receive no compensation. Before the war these widows and children had the strong arm of the husband and father upon which to lean, but now they must do the best they can. A more liberal interpretation of the law should be had in such cases, and I hope that this Congress will enact legislation to relieve such situations. Statements from reputable physicians showing a soldier's disabilities and connecting them with his military service should be sufficient proof of a claim. Yet, such affidavits are given little credence, and this especially applies to the fourteenth district, with headquarters at Dallas, Tex. An investigation should be had to find the cause of such a situation and where the trouble lies.

Mr. Speaker, if this bill is enacted it will, of course, cost something. The things necessary for the maintenance of life cost something. It cost money to carry on the war, but it was won in the least possible time. It has been estimated that this bill will cost something like \$2,000,000,000. It has also been estimated by competent authority that if cash were paid the cost would be approximately \$1,500,000,000. Under either statement, with a full cash option, the amount could be paid with long-time bonds, and would not be a heavy drain on the Treasury, and would not interfere with a substantial tax reduction.

When we entered the war it was stated that the Kaiser said when it was over he would levy a tribute against America in the sum of \$40,000,000,000. Who doubts that result had he won the war? But these boys from America prevented him from carrying out his threat. What does this bill amount to compared to such an amount? This is no new precedent. Bonuses have been provided for soldiers of other wars. Under the guarantee provisions of the transportation act of 1920 the Government has paid to the railroads of the country the sum of \$551,000,000 cash, not including the amount paid the railroads for use, upkeep, and operation during the period of Federal control.

March 24, 1924, it did not take long to pass the bill giving \$10,000,000 to German relief. Two hundred and forty voted for this bill, 97 against, 3 answered present, and 91 did not vote. I voted against the bill and do not believe that I have

the right to vote away the people's money in this manner without their consent. I believe in charity, Mr. Chairman, but will not vote money to a foreign country when our own soldiers, disabled by that war, are sick, wounded, and many of them needing help, but receiving no assistance from the Government which they defended. I also opposed and voted against the appropriation of \$20,000,000 for Russian relief in the Sixty-seventh Congress. I do not believe in that sort of legislation.

The World War Foreign Debt Commission, created by Congress and approved February 9, 1922, and amended by act of Congress approved February 28, 1923, made a settlement with Great Britain under the terms of which the entire debt owed the United States by Great Britain shall be paid within a period of 62 years. Under the terms of this settlement Great Britain pays us the following amount of interest each year for the four first years:

First year, \$138,000,000; second year, \$137,310,000; third year, \$136,620,000; fourth year, \$135,900,000. These amounts decrease to the sixty-second year, when she pays \$6,125,000. This is only the interest upon the principal debt of \$4,600,000,000. In addition to this, France pays us interest on her debt annually, \$20,367,057.25. Belgium pays us on her debt the sum of \$1,377,000 interest annually. The total indebtedness of foreign countries to the United States was on November 15, 1923, the sum of \$11,800,010,245, which includes principal and interest.

Mr. Speaker, it will thus be seen that the enactment of this adjusted compensation bill will not bankrupt the Treasury, as some of the big interests would have us believe. This is not an act of charity, but is an act of justice long delayed. It will help and not hurt business, will greatly assist worthy boys, and will show them that a grateful Republic appreciates the service that they so unselfishly rendered. The bill is not political. I hope it will pass the Senate with a cash option, and that the bill will be approved by the President.

Mr. BOYLAN. Mr. Speaker and gentlemen of the House, in the consideration of the bill providing for adjusted compensation for veterans of the World War we are taking up a matter that should have been cared for five years ago. When the call to arms was made, our boys responded with alacrity. They were quickly molded into the army of democracy. They were our brothers, sons, relatives, husbands, and sweethearts of American women and members of American households. But a few months before they were clerks, artisans, workers, producers, and part of the great American people engaged in the pursuits of peace. They were called into the service not by the mandate of any military despot, not by the coercion of soldiery already in arms. They were summoned because their own elected representatives, men chosen directly by the people, had decreed that the fight for the liberty of the world and the safety of democracy should be made by the army of democracy, the able-bodied citizenry of the United States, called forth in the name of all the people to defend the liberties of all the people.

They marched on, filled with the memory of the illustrious traditions of our country, having in mind the sacrifices made by noble Americans on many bloody and historic battle fields. They rejoiced in that heritage of freedom which American patriots won for themselves and for us—their posterity—that freedom which has inspired the advance of democracy throughout the world.

In the great World War we pledged to ourselves and to the world that American democracy, represented on the battle front by the sons of a free people, was actuated by no selfish motive of aggrandizement of wealth or empire. We went into the fight in order that the honor and safety of the United States and its free institutions might survive; that despotism should not crush democracy; that a sword should not dominate the world; and that the greatest Republic in the world's history might continue its destiny of expanding and preserving free institutions, and of bringing here the peoples of the world who seek liberty and opportunity in peaceful development and prosperity that they might here fuse into the greatest Nation of freemen who shall advance the ideals of democracy in the world.

For these principles our boys marched to the battle front declaring that they would hesitate at no sacrifice of blood, suffering, or treasure to bring victory to American arms and to win a just and lasting peace. On the battle fields of the war they fought and died with a heroism unsurpassed by the soldiers of any other nation, and they succeeded in bringing the peace which has proven our country to be the hope and the stabilizer of the democracy of the world.

Our boys responded to the message of Flanders fields:

We are the dead. Short days ago
We lived, felt dawn, saw sunset glow,
Loved and were loved, and now we lie
In Flanders fields.

Take up our quarrel with the foe,
To you from falling hands we throw
The torch—be yours to hold it high;
If ye break faith with us who die,
We shall not sleep, though poppies grow
In Flanders fields.

They caught up the torch and carried on and proved that their comrades had not died in vain.

The war has passed. Many of the men comprising the army of democracy are asleep in unknown graves in France and Belgium. Their surviving comrades have returned. They were acclaimed and honored by a grateful Republic. In song and story their illustrious deeds have been recorded. The Nation has partly shown its gratitude. In this adjusted compensation bill it endeavors to exhibit a further evidence of its appreciation.

The Republic can never pay for the sacrifices made by this devoted army of democracy; but they present this measure not as a payment for services—for these services can never be properly compensated—but they offer it as a slight indication of the gratitude of the Republic to the survivors of our gallant army of democracy.

Mr. O'CONNOR of New York. Mr. Speaker, I am heartily in favor of this bill. It is but the fulfillment of promises many times made during and after the war by political parties and others. It is not a gratuity but an obligation from which an honorable Nation can not and will not try to escape. More correctly called "adjusted compensation," it is a debt that all the venomous propaganda and back fire can not wipe out except by payment. A great principle is involved, against which all the false, last-minute pleas of economy will not prevail.

Sometime ago 21 Democratic Members of this House from the State of New York issued a statement in behalf of adjusted compensation which succinctly sets forth my views.

There are many in this House who would prefer an immediate all-cash payment to the veterans, rather than any of the other methods proposed, because this method meets the immediate needs of the veteran, eliminates a very heavy administrative cost to the Government through years to come which the other methods entail, and disposes of the matter for all time, but the powers that be in this House have handcuffed and shackled us all so we can not make any amendment. We are therefore faced with the problem of the "half loaf."

More properly described as "adjusted compensation," this legislation is really a readjustment of the very inadequate pay given to the veterans of the World War while in service, as compared with the high wages received at that time by all civilians at home.

I repeat, it is not a gratuity but an equitable obligation recognized at once, if we remember that the pay of the Army and Navy was about \$1.35 a day and food and clothes, while common laborers were receiving over \$5 per day for eight hours' work.

It is compensation, not a gift, and the only way to compensate is to pay, not to attack and impugn the motives of those advocating the measure who recognize it is an obligation of justice and equity.

A principle is involved. An obligation exists. A debtor's honor is at stake. A last-minute plea of false economy or even bankruptcy is no defense to an honorable debtor nation.

Our Government has always found a way to fulfill its just and honorable obligations. Many times it has borrowed to do it. If necessary to do so, it could provide ample funds for the immediate cash payment by a bond issue. No such necessity exists. The amount necessary to meet this obligation has been purposely and deliberately exaggerated. The sources of its payment have been pointed out. Taxes sufficient to pay it already due and accrued to the Government are being remitted and wiped out. Future taxes are being repealed for the benefit of men well able to pay.

The selfishness of a few high taxpayers who may have a farthing taken from their purses bulging with war profits is a false and selfish cry which should fall on deaf ears.

State after State by popular votes have declared for a bonus by heavy majorities. The State of New York by overwhelming and in my district by a stupendous majority has so declared.

It is a complete answer to the handful of "antibonus ex-service men," organized in most instances by the compulsion of employers and threatening interests, and in many instances serving as propagandists for pay, that there is no obligation on

them to accept the adjustment. By refusing it, as we are confident few will, they will just so far reduce the cost to the Government.

Let us settle this question now for all time and redeem the pledges of a nation.

Mr. O'CONNELL of New York. Mr. Speaker, it is very pleasing to see the almost unanimous sentiment in the House to at last do something definite in the matter of adjusted compensation for the veterans of the World War. While this question was being debated my mind went back to the years 1917 and 1918 when, with thousands of other citizens of the city of New York, I watched the various contingents and detachments march along Fifth Avenue on their way to the camps. I remembered these raw recruits which had been taken from the office, the factory, the school, and college. In a few months, under the skillful instruction of trained officers, they emerged into the intrepid and magnificent military machine that was destined to immortalize itself on the plains of France and Belgium. Many of the boys I saw leave our city for the training camps did not come back.

They paid the supreme sacrifice and their names are enshrined in the hearts of their countrymen forever. My memory again reverted to the days after the armistice, when ship after ship entered the beautiful harbor of our city and the men in brown crowded the decks to see the face of some father, some mother, some loved one among the thousands which came to do them honor. I remember, too, the parades which thrilled our city as the solid phalanx marched along our streets, and every heart on the sidewalks and in the stands was filled with emotion in the knowledge of what these heroes did to save the world. The great heart of our people opened wide to take them in; to assure them of the thanks of a grateful Nation. Never would their sacrifice, their valor, their victories be forgotten. They came, they saw, they conquered. Then came the day when the various units were disbanded, the buddies who had faced disease together in the trenches and death in the field gave each other the final handclasp, separated, and were swallowed up in the millions that go to make up our enormous population. Then our boys had to face a harder battle than the one through which they fought, the battle of subsistence.

I am thinking of the many who left good positions to defend the flag only to find upon their return that some one else had superseded them. Our Government had given them the munificent sum of \$60 with which to begin their civic lives all over again. Canada, France, Australia, England, and, in fact, all the ally nations had been more generous. Now, after five years' delay, we are about to do an act of simple justice and adjust their compensation. In keeping with many of my colleagues, I am dissatisfied with the bill now before the House. I am hoping the Senate will readjust the compensation and that after the conference between the Senate and House conferees a suitable measure, commensurate with the debt we owe them, will be enacted. Because I am profoundly appreciative of the service they rendered America and the world; because during the Sixty-seventh Congress I voted for the bill which President Harding vetoed; because I have been a consistent supporter of this legislation, which should be passed if we are to fulfill a moral obligation, I shall vote for that measure which will give the fullest recognition to these national, yea international, defenders.

Mr. O'SULLIVAN. Mr. Speaker, an intelligent discussion of any public question ought to be predicated on good faith and respect of a neighbor's opinion. Where prejudice enters logic is very certain to depart. No more splendid example of this can be mentioned than in directing attention to the expressions and reasoning of some who are either championing or condemning adjusted compensation for the service man.

Soldier, as well as civilian, has occasionally violated our national code of fair treatment, which, in such characteristic American fashion, demands the acknowledgment of sincerity of purpose of opposing parties. As little sympathy should be extended the soldier who labels his every opponent as a profiteering slacker as to him who brands the soldier as a Treasury looter. Each type injures his own cause; each deserves no consideration at the hands of the American public. To the great mass of those who oppose adjusted compensation I attribute motives of the highest order and for their judgment have profound respect.

In a subject of such magnitude as the bonus problem it is perfectly natural that the discussion should have strayed into fields far removed from the one great question involved.

Suggestions, which through repetition have assumed the cloak of argument, have focused attention to matters wholly immaterial and irrelevant. For example, one line of thought

attacks the measure "because the soldier would squander whatever he might receive." Of course, if such philosophy is correct, the path of many a debtor will become exceedingly smooth and attractive. How pleasing to think that one may justify a refusal to pay a debt because, forsooth, one's creditor may use the money for pursuits not embraced in the standard of the debtor.

Another line of irrelevant attack proceeds to question the loyalty of the soldier. It accuses him of endeavoring to barter away his patriotism. This is a bold statement, but its answer is found in the action of a host of patriots of the past, including in its number Washington, Lee, Grant, Sheridan, yes, and Lincoln, all of whom after having made application received from the Government those bounties and bonuses to which their service in the armed forces entitled them. Such theories and suggestions are merely underbrush which can be readily lopped off but which, unfortunately, serve to obscure from the eyes of the observer the one and only question at issue, Is the soldier entitled to compensation by virtue of right?

I make no pretense of asserting that his case hinges on a legal right. Rather do I deny it. He has no legal right to adjusted compensation. His claim rests upon a plane much higher than that occupied by mere legal rights; his is a moral right.

Legal rights are enforceable only in courts of law. They are subject to certain established defenses such as the statute of limitations and the statute of frauds. Whatever rights the soldier may have manifestly can not be established in a court of law. But there is a code founded on moral justice which knows neither law court nor statute of limitations. Its tribunal is the court of conscience. He who has no conscience is not troubled with its provisions or its enforcement. The more advanced a people is, the better understood and appreciated, and the more often practiced is this code. From it have sprung those great principles which, because of the need of constant application, were early assumed by tribunals known as courts of equity. Equity is equal justice. It concerns itself with extending to everyone as much advantage, privilege, or consideration as is given to any other. Its closest synonyms are fairness and impartiality. It is to the court of conscience, the tribunal of this moral justice, that the soldier brings his case. What justification is there to care for the wounded and disabled except by virtue of this code? Surely there is no legal obligation resting on the Government to care for its disabled. Yet no one will deny they possess a moral right to be cared for by a government under an indisputable moral obligation.

And what does the soldier ask when he comes to court? Nothing but the same advantages, privileges, and consideration which are extended to others. It is needless to call attention to the manner in which capital was treated, but it is not inappropriate to cite one example. Note the analogy between the case of the railroads and the soldier. War being declared, the boy was drafted to meet the enemy; the railroads were drafted to meet the needs of transportation. Each draft was essential to the successful prosecution of the war. The boy gave up his job; the railroad owners gave up the management of their roads. At the end of war the boy was out of pocket; so were the railroads. But the roads were reimbursed for their losses after the war ended; the boy remained out in the cold. The parallel is perfect up to that point where reimbursement for financial losses stalks on the stage.

He asks nothing that others have not received. He does not seek a new or higher standard than that applied to mere property. But he does insist, and rightly so, that the same consideration be extended to him that has been granted to many others. In so doing he appeals to the court of conscience, which has its home in the minds and hearts of every American citizen.

The present bill does not satisfy my judgment. The average service man has a particular interest in ready money rather than in a form of insurance. Hence the bill is faulty in its failure to provide a choice between cash and insurance. But while some of us may not agree with all of the provisions and features of the bill, we can at least be satisfied that Congress has again admitted to the fighting forces of this country that a debt is due them.

Mr. MEAD. Mr. Speaker, I am in favor of this measure as I favored the adjusted compensation bills which passed this House in previous Congresses. I also voted with the friends of the ex-service men to override the presidential veto in the Sixty-seventh Congress. I sincerely hope the Senate will join with us in expediting this act of justice, so that it may reach the White House very shortly to be signed by the President, thereby fulfilling the promises made by political parties, re-

deeming pledges made to our constituents, and acknowledging the debt of gratitude a grateful Nation owes its gallant defenders.

While I believe the majority of the men in this House of both parties favor including a cash plan in the bill before us, I realize the utter futility of such an effort at this time because of the gag rule presented by the Rules Committee for the consideration of this measure. I hope, however, that the Senate will so amend the bill as to provide for both the cash and the insurance plan of payment, and you may be sure such an amendment will receive my enthusiastic support upon its return to our body for concurrence.

My position is set forth in the statement issued by the entire Democratic delegation from New York State, which favors giving the fullest recognition to those brave lads who in time of war entered the service and on the battle fields of France and Flanders did not hesitate at any sacrifice to uphold the honor of our country and the glory of our flag.

In my own great State, of which I am justly proud, the question has on two occasions been submitted to the people in a referendum, and it was carried overwhelmingly both times, the last vote occurring November 6, 1923, when a majority was given in favor of adjusted compensation of approximately 400,000.

Not alone in New York, but in practically every State where the question was submitted to the people, the principle carried, and carried with stupendous majorities. I believe the anti-bonus ex-service men, who are but an insignificant number, and who were organized in some instances by compulsion of employers or fear of displeasing special interests, have been sufficiently answered by the votes of the American people, and their objections warrant little or no consideration on the part of Congress in connection with our consideration of the so-called bonus bill.

Mr. Speaker, this is not a bonus, nor is it a gratuity. It is a feeble attempt to meet a moral obligation which the richest nation on earth owes its defenders, an obligation we can not, and in all fairness we will not, deny.

I sincerely trust this bill with a cash-payment plan added to it will pass both Houses and receive the signature of the President, thus redeeming the pledges of a grateful Republic.

Mr. ARNOLD. Mr. Speaker, I had hoped to express my views on the subject of adjusted compensation when the bill was pending before the House and make a few observations concerning it which I thought might be of some benefit to the Members charged with the responsibility of this legislation. I did not then have the privilege. The bill was released by the Ways and Means Committee, having it in charge, to the membership of this House at 12 o'clock noon Saturday, March 15, and reported to the House the following Monday for consideration the next day. On Tuesday, the 18th, the bill was called up in the House under a motion of the ranking member of the Ways and Means Committee to suspend the rules and pass the bill. This automatically precluded amendments and limited debate to 20 minutes for those in favor of the bill and 20 minutes for those opposed. To have voted against the motion to suspend the rules, coupled as it was with the passage of the bill, would have been a vote against the bill, and a vote against the bill would have relegated it to the Ways and Means Committee, where it would in all probability have slumbered unmolested during this Congress. I voted for the bill in its present form, as I did not want to send it to the land of slumber by returning it to a committee which was dominated by a majority not in favor of real adjusted compensation for the ex-service men.

Neither I nor anyone else on the Democratic side of this House had an opportunity to express our views on this bill since its consideration, for the reason that gentlemen on the Republican side have for some reason, I presume well known to themselves but to me unknown, objected day after day to every request by any Member for the extension of remarks in the Record on this subject, until April 3, when a gentleman across the aisle obtained consent for all Members to extend their remarks in the Record on this subject. Evidently overcome with remorse, and a consciousness perhaps of wrongdoing in imposing the gag rule on the House, thereby sealing the lips of the true friends of the ex-service men who sought to express their views on the question, prompted the withholding of further objections to the requests of Members of this House to express their views in the Record.

At a conference of the Democratic Members of this House, at the request of the Democratic ex-service men, a committee of five ex-service men was selected, who appeared before the Ways and Means Committee when that committee had this bill under

advisement and urged that a cash-option provision be inserted permitting ex-service men who were entitled to the benefits of the act to take cash or paid-up insurance as they preferred. It is an interesting thing to note that on the Ways and Means Committee reporting the bill there were 11 Democrats and 14 Republicans. The cash-option privilege urged by the ex-service men who appeared in that committee was defeated 13 to 12. All the Democrats in committee voted for the cash-option privilege and 1 Republican, while the 13 who voted to defeat the cash-option privilege were all Republicans.

The people of my district, who had confidence in me, sent me here and expected, and had the right to expect, that I would use my best judgment and express myself on matters which concerned the welfare of the country. I know that all of the people of my district do not agree with my views on this question. With such as do not I have no quarrel. It is the birth-right of every American citizen to do his own thinking in his own way and reach his own conclusions and act thereon as long as his action does not violate the laws of the land. I believe the ex-service men should receive adequate care and attention. I believe they should receive an adjusted compensation that will in some degree compensate them for the inequalities existing during the period of their service. I believe the wounded and disabled should receive generous treatment.

I am unable to understand why the Government should adjust the compensation of every business agency engaged in war activities in cash and deny the same right to the individuals who left their jobs, their homes, and their loved ones and went out to fight the battles for all. At the close of the war we had incompleting contracts amounting to over six and one-half billions of dollars. We stopped all further activities along this line when hostilities ceased, but were these agencies denied adjusted compensation? The records show that the Government adjusted financial matters with them and paid out in so doing something like \$3,400,000,000 of the people's money; and they were paid in cash, not in obligations of the Government maturing in 20 years. The Government adjusted the compensation of the railroads and paid them for their losses and guaranties about \$1,700,000,000 of the people's money; and they, too, were paid in cash and not in obligations of the Government maturing in 20 years. The Government adjusted the compensation of the shipowners and paid vast sums in cash and not in obligations of the Government maturing in 20 years. In fact, every agency engaged under governmental direction in war-time activities had a financial adjustment in cash and were not even asked by the Government to extend credit for 20 years for the amounts claimed to be due them.

It is said we had 23,000 more millionaires when the war closed than we had when it began. These men constituted largely the so-called big interests of the country, and you did not hear big business object to financial adjustments when the money was coming their way. The chief opponents of adjusted compensation now are the same big interests that profited by the financial adjustments shortly after the close of the war, and the underlying grounds of their objections now is the fact that they would have to disgorge a little if the service men get their compensation adjusted, although the cry in the open that we hear from them is that the country can not stand the financial strain incident to the adjustment of the soldiers' compensation; that it is the patriotic duty of all men to fight their country's battles and unpatriotic to ask for or receive some measure of relief from a financial standpoint; and that to award them compensation is an insult to their patriotism. Did we hear the cry raised that the country could not stand the financial strain when big business were the recipients, or that it was unpatriotic for them to ask for or to accept money for the adjustment of their contracts, or that it was an insult to their patriotism?

What about the ex-service man? Is he not entitled to at least as much consideration as business interests engaged in war-time activities? He left his job, his home, his family, and loved ones, not because he wanted to go off on a lark and have a good time, but because he felt a patriotic impulse that his country needed his services. Required to go, it is true, at times under the selective service law, but he did not whimper or whine. He did not cavil, and when it fell his lot to go he went through the same patriotic impulse that has always characterized America in her noble men, her lofty principles, and her worthy accomplishments. He had nothing to say, and would not have said it if he could, about the amount of pay he was to receive. He felt the duty and responsibility resting upon him and was ready to do his bit in whatever activity his country called him. He was ready and willing to undergo the trials and hardships incident to early training and was

ready and willing to cross 3,000 miles of sea to a foreign clime and endure sufferings and hardships on the field of battle.

For this he was paid \$30 per month with 10 cents a day additional for foreign service, out of which was taken compulsory allotments, which greatly reduced the allowances to him, sometimes amounting to one-half that sum or more. Their places at home were filled by men who enjoyed the comforts of their home life and the companionship of loved ones and received wages ranging from \$5 to \$10 per day and more. To now pay him \$1 additional per day for home service and \$1.25 additional per day for foreign service may seem unwarranted in the judgment of some, but my sense of justice and fairness does not lead me to that conclusion. Neither does my sense of justice and fair play lead me to the conclusion that they should wait 20 years for their pay. It is true that 25 per cent additional, with interest at 4 per cent compounded annually, constitutes the face of their policies by the bill; but why force them to be creditors of the Nation? If they desire to become voluntary creditors of the Nation to that extent, well and good; but why compel, especially when all other interests engaged in war-time activities were paid in cash? I believe it only fair and just that a provision be inserted in the bill making it twofold—cash for those who want it; paid-up insurance for those who prefer it.

If it is right in principle to pay adjusted compensation, then it is right that those who are entitled to it should have cash if they want it and they should not be obliged against their will to wait 20 years for their money. Many will be summoned to the great beyond before the expiration of the 20-year period, and they will receive no benefits whatever; and, whether dependent or not, their personal representatives, not themselves, will be the beneficiaries.

These men are all young men, many of them just starting in the industrial and commercial world. Many doubtless are engaged in a struggling business, handicapped only by the lack of a small amount of ready cash. Some doubtless are ready to set sail on the sea of matrimony and desire to start on life's journey and to be home makers and home builders, and many have already started and have brought children into the world who are near and dear to them and are struggling to feed and clothe their loved ones and give them the comforts of life, while economizing in the interest of the little business they have started; and the amount of their compensation now in cash may mean more to them than 10 or 20 times that amount at the end of 20 years. It may mean the difference between adversity and prosperity, between failure and success. It may check the despair and adversity which leads to wreck and ruin. Cash option means but little to the ex-service man who is favored by fortune or is comfortably fixed and well on his way to prosperity. Of course, he does not need the cash option like his less fortunate comrade and probably would not avail himself of the cash privilege, but it is the less fortunate man I am particularly interested in, the man that needs his money and needs it now. If relief is to be given, let the ex-service man be the judge as to whether or not he wants his money now. Now may be the critical time with him, the time when it will do him and his family the greatest good.

We as a Congress should not deny him this privilege. It is claimed that many of the men will squander their allowance in riotous living. Some may. It would indeed be strange if all should make judicious investments and wise use of their allowance, but knowing them as I do I submit that those who would squander their money in riotous living would be rare exceptions; so why punish the vast number who make judicious use of their money by withholding it from them for 20 years for the assumed protection of a comparative few who might squander theirs. Are the men who fought our battles of that class who can not be trusted with the use and control of the money we propose to pay them? Since when must the Government take control of their business affairs in this fashion? These men, when selected for service, were in robust health, their physical condition met every test, their mental faculties were unimpaired. Conservatorship is resorted to only in cases of mental deficiency, and to deny the ex-service men the right to the use of their money by postponing its enjoyment by self-constituted Government conservatorship for 20 years is a reflection on their intelligence. More than this, if they are entitled to compensation, what right have we to dictate how it shall be used? What justification is there for one who owes money to another to say to that other one, "I do not think you will make good use of the money; therefore I will not pay you."

The first 60 days of service is excluded for the reason that \$60 additional was given to the service men upon their discharge. All men who served more than 60 days and 110 days or less are to be paid in cash. I am unable to understand why there should be a discrimination in favor of such men, when

a man who has served 111 days or more would have to wait 20 years to get his compensation. The bill, in my judgment, is not what the ex-service men of the country had hoped for, not what they deserve.

The insurance feature of the bill is all right for those who want paid-up insurance, but there should be a cash-option feature inserted that will make the compensation available to the men who prefer it in cash. That is in keeping and in harmony with the adjustment by the Government of business interests engaged in war-time activities under Government direction. To deny the privilege of a cash option to the ex-service men is an unjust discrimination against the man who for domestic or business reasons needs his money now and in favor of the more fortunate whose wealth and station in life are such that he can accept the insurance provision without inconvenience to his domestic or business life.

Economists tell us that the total cost to the Government would be far less under a cash-option provision; that it would require less governmental machinery to carry into effect the provisions of the bill; that judiciously and economically administered taxes can be materially reduced and at the same time justice meted out to the ex-service men as it has been so generously meted out to the business interests engaged in war-time activities. To adjust the compensation of war-time business activities in cash and deny the right of the men who were called to the colors to do our fighting for us the right of choosing between a cash option and paid-up insurance, to require him to wait 20 years for his pay will, in my judgment, work an injustice in numerous cases and should be avoided. It is to be hoped that the body at the other end of the Capitol will insert a cash-option provision, giving the right of selection to the ex-service man to take cash or insurance as best meets his needs. If so the bill will then come back to us here where we can have a vote on that feature of the bill which was denied us on its passage in this body.

Mr. CULLEN. Mr. Speaker, I am going to vote for this bill because it is the best that we can get. I am in favor of a cash plan of adjusted compensation and was in hopes of having an opportunity to vote for a straight cash bonus, but will vote for this bill as a compromise which is better than nothing at all. Mr. Speaker, Congress voted its declaration of war against the Imperial German Government just seven years ago to-day, and thus the last great power had thrown its forces into the struggle—in a war to end wars. The whole civilized world was now wrapped in the flames of war. International treaties and obligations were made scraps of paper in this war for conquest, and governments by the people were in grave peril. Modern science was made use of and war became more effective—more horrible and destructive than ever before. Mr. Speaker, it was during these times that over 4,000,000 American youths laid down good jobs and gave up good salaries in positions at home to throw their services and their lives into the struggle. Some of them enlisted and some were selected through our draft law. All gave their unselfish and patriotic devotion to the cause and made victory possible in that darkest hour of the world's peril.

It is not my purpose to trace the horrors and dangers of war, except simply to point out the truth that adjusted compensation does not and can not place a price on patriotism, as some have claimed, because we know that the soldiers could never be paid in money for their services in that conflict. It is, however, a recognition that we owe them, which tends in a small way to equalize their pay with those who profited at home.

In November, 1918, the war having been won and the armistice signed, the boys began to return home, only to find unemployment a menacing problem. It was then that Congress realized the duty of the Government to place the returned soldiers as near as practicable at least in the position they were in when they went away. It was then that it was decided that an adjustment in compensation should be made as a partial recognition of the soldiers' loss in business and as a practicable means of placing them back on their feet. But what did Congress do for the returned soldier to help him become rehabilitated to his former situation? It gave him \$60 to do it with! This was only a recognition of the obligation and a postponement of the debt. That debt has never been paid.

In March, 1922, I voted for the adjusted compensation bill in the House of Representatives when it passed that body by an overwhelming majority and also passed the Senate, only to be vetoed by the President. The House passed the bill with the necessary two-thirds vote to override the veto, but the measure failed to obtain the necessary two-thirds majority in the Senate. I voted for it again in September, 1922, when it again passed the House but was again vetoed by the President.

Now the proposition comes before us again. I was in hopes it would contain a cash option. But I am going to support this bill as better than no adjustment at all, and I hope that a cash option may be inserted when it is debated in the Senate. The amount carried in the bill is only a small pittance compared with that made by thousands of war profiteers. Thousands were taken from positions paying good salaries to serve their country in time of need. All the world knows that their job was well done. Many of them now sleep on Flanders field. Their families can never be compensated for their loss. No monetary measure can ever pay them for their services. Such is not the purpose of this bill. But it is the least we can do to show them this recognition of our obligation. Let us keep faith with these boys. Let us redeem our pledge. It is a solemn pledge of a debtor nation. Let no plea of false economy influence our judgment to fulfill the Government's honorable obligation. It should have been paid them long ago to enable them to better meet the competition they found upon returning home. But because it has been delayed is no reason it is not still due them. Let us keep our promise.

Mr. DAVIS of Tennessee. Mr. Speaker, the Republican leaders having finally been forced to consent for Members of the House to extend their remarks on the subject of adjusted compensation, and having had no opportunity to speak upon the bill during the consideration thereof, I extend my remarks in the Record on the subject, as follows:

I voted for the soldiers' adjusted compensation bill that passed the House in 1920, and which was permitted to die in the Senate. That bill embodied the regular five-option plan officially recommended by the American Legion, including a cash plan to those who elected to take cash.

I voted against the so-called soldiers' adjusted compensation bill which passed the last Congress and was vetoed by President Harding. I voted against it because it had never been approved by the American Legion or the ex-service men generally, because it did not permit the veterans to receive in cash the amount conceded to be due them, and because the bill was otherwise very objectionable and unfair to the ex-service men themselves, also involving the necessity of a very large force of employees to administer the different provisions of the bill during a long period of time, which would add materially to the expense upon the taxpayers. The members of the Ways and Means Committee who were real friends of the ex-service men and in favor of a genuine adjusted compensation bill filed a minority report in which they described that bill in part as follows:

The duebill, rain-check, borrow-money bonus mode of payment as provided by the bill is an insult to every World War veteran and a shameful discredit to Congress and the Nation. By the bill the veteran is given a scrap of paper and told to go out and hock it from bank to bank in the hope, after being held up for a high rate of interest, of getting a little cash on it, not, however, to exceed 50 per cent of what the bill confesses the Government now justly owes him.

They are not conscious of, they do not realize the insulting, mortifying indignity involved in sending the soldier from the Capitol to hock his duebill about the country from bank to bank in search of some bank which, for a high rate of interest, will ignore the administration's advice and loan him a few dollars on it.

There was not a single real friend of the ex-service men in the House of Representatives who was satisfied with that bill, but, instead of courageously defeating it and forcing the passage of the right kind of a bill, they voted for it for fear that their position would be misunderstood. Feeling as they did and as I did as to the lack of merit of the bill, I could not stultify myself by voting for it.

During the present Congress I was a member of the conference of the Democratic Members of the House, at which we appointed a committee of five Democratic ex-service men to appear before the Ways and Means Committee and urge them to embrace in the bill they reported a cash option for such men as elected to take cash, and we adopted a resolution in favor of the prompt reporting and speedy passage of such a bill. If such a bill had been reported, it was my intention, openly expressed, to support it. However, the Republicans on the Ways and Means Committee by a strict party vote, with one exception, reported the bill providing only for the issuance of insurance certificates to ex-service men under which the veterans will have to die to win or wait for 20 years before receiving what is conceded in the bill to be due them.

Knowing that this bill would be amended by the Members of the House so as to include a cash option if the House got the opportunity to so amend, the Republican leaders brought it up under such a gag rule that no opportunity was afforded to

offer an amendment or a motion to recommit and the debate was limited to 20 minutes on the side. And then, in accordance with agreement among the Republican leaders, no Member of the House was even permitted to extend his remarks in the Record upon the bill, as the Republican leaders knew that it was so vulnerable and did not want the Members to have an opportunity to express themselves thereon. However, having learned that such gag methods would be employed, some of the friends of real adjusted compensation, including several World War veterans in the House, obtained time the day previous under the general debate on an appropriation bill and expressed themselves upon this so-called adjusted compensation bill. All the real friends of the ex-service men in the House were very much dissatisfied with this bill and bitterly denounced it. As an evidence of their expressions thereon I will quote briefly from speeches which appear in the CONGRESSIONAL RECORD and which were delivered by veterans of the World War who are recognized friends and champions of a soldiers' bonus or adjusted compensation.

I first quote from the speech of Capt. GORDON BROWNING, one of my colleagues from Tennessee:

Mr. BROWNING. This morning we were informed this measure is to be brought in with no cash option in the bill. In other words, the ex-service men of this Nation are still treated as pawns and as babies and should not be paid that which this Government so justly owes.

Mr. CHINBLUM. I will tell the gentleman how he can get the consideration of that bill under the ordinary rules of the House, and that is to vote against the motion to suspend the rules and pass the bill; and if the bill fails to pass under suspension, it will certainly come up under the general rules of the House.

Mr. BROWNING. How soon? We do not want to smother it, but want the bill passed.

Mr. CHINBLUM. As one member of the Committee on Ways and Means, I would be in favor of bringing it in as soon as it can be brought up.

Mr. POT. Everybody understands that the ex-service men are going to be bunked by this Congress, and what is the use of having any foolishness about it? [Applause.]

Mr. BROWNING. Yes. I wish to protest at this time against what I consider a gross injustice to the House. I know that on the Democratic side of the Chamber the vast majority of the Members want to do these men justice in the right way, and I believe the majority on the other side do; but I do not think it fair that the House shall be subjected to the criticism that will come to us if we undertake to give something that is an absolute abortion under the guise of adjusted compensation. [Applause.]

Mr. POT is not an ex-service man, but his son was killed in action in France, and Mr. POT has from the beginning been one of the strongest advocates of adjusted compensation in the House.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. BROWNING. Yes.

Mr. HUDSPETH. The gentleman is a member of the American Legion, is he not?

Mr. BROWNING. Yes, sir.

Mr. HUDSPETH. Are they fooling the ex-service men by making them believe that they are giving them a real bonus? The American Legion boys do not believe that they are going to give them a real bonus.

Mr. BROWNING. I do not think so.

Mr. HUDSPETH. After the next election the Democratic Party will give the ex-service men a real bonus. [Applause.]

Mr. BROWNING. I will say to the gentleman that if the Congress expects to get rid of this question, since the men feel that they are entitled to a real adjustment, it had better realize now that 90 per cent of the men want cash and are entitled to it, and they will not let us rest until we give them the right kind of an adjustment.

Captain MILLIGAN, an ex-service man from Missouri, spoke in part as follows:

I think this is the most outrageous and unjust thing that has ever been perpetrated on the ex-service men or anyone else by Congress. This bill as reported by the Republican members of the Ways and Means Committee is a huge joke—a gold brick handed to the ex-service men. They provide for one option—a paid-up insurance policy due in 20 years. As I see it, the ex-service man must die or wait 20 years to get the benefits of the provisions of this bill.

Major BULWINKLE, an ex-service Member from North Carolina, declared:

This bill is wrong, men, it is absolutely wrong. The ex-service men should be dealt with fairly if you are going to deal with them at all.

Major JEFFERS, an ex-service Member from Alabama, spoke as follows:

The first print of this bill that the Members of the House received was placed in their hands just the day before yesterday. Members

of the House have had but little time to study the provisions of this bill, and, of course, the ex-service people of the Nation have had no chance at all to learn what sort of a bill it is.

Gentlemen of the House, it is an infamous subterfuge, this bill that has been ushered in here under the guise of an adjusted compensation measure. It will, I very much fear, prove to be a cheap and disappointing "gold brick" if it ever becomes a law in its present form.

I know that the argument has been advanced by some that if these ex-service people were paid their compensation in cash they would waste it, and so it would be better for them for Congress to tell them that they can not have cash, but can have an insurance policy instead, on the theory that they would waste the cash. Now, I think any man ought to be ashamed to offer that argument.

These ex-service men and women are all adult people, just like we are here. Surely they are capable of taking a small sum of money and handling it as would best serve their own interests. What right, I ask you, has any Member of Congress to take the position that he should set himself up as the self-appointed guardian of the ex-service people of the Nation? What right have we to say to these grown men and women that they can not have this compensation in money because they would not have sense enough to handle it if they did get it? I feel that such an argument is a downright insult to them.

The veteran knows you are just jockeying him now when you trot out this insurance policy and call it "adjusted compensation." He can very readily see that it is not compensation at all. He knows what it is. He knows that it is one of these "you-have-to-die-to-win" propositions.

Major HAWES, an ex-service Member from Missouri, spoke in part as follows:

The Representatives of the people, coming from 48 States, 435 in number, are by this gag rule to be permitted a total of 20 minutes' time in disagreement with 13 men. This is monstrous. It is autocracy gone mad. It eliminates free speech and destroys the theory of democratic government.

This is a proposition which has not been submitted to the Nation or to the ex-service men.

This bill is unsatisfactory.

First. It will disappoint and anger 90 per cent of the ex-service men and women.

Second. It will cost more than the cash plan.

Third. It will create another bureau, at enormous expense, with thousands of employees, and prepare the way for premature pensions, which will add annually billions of dollars to the burden of taxpayers.

Fourth. It will not settle this question, but will merely open up a new controversy and start new discussions, which will arise with continued and greater vehemence.

Fifth. It will crowd banks and trust companies with loans, raise the rate of interest, and withdraw from investment capital badly needed for expansion, building, farming, and trading.

Sixth. It will start endless discussion and disputes about the rate of interest charged by various banking institutions and create discord, uncertainty, and trouble.

Seventh. It will throw the whole matter back into politics, to become a football to be tossed back and forth for partisan political purposes.

To offer a small paid-up life-insurance policy, bearing its full fruit after death, is a gruesome thing. It is a gamble with death. It means a coffin first and a settlement over a tombstone.

But it is his or her business, not ours; it is their decision, not ours, that should control its disposition.

If we give anything, give it wholeheartedly, generously. Do not send a present with a skull and crossbones on the wrapper.

Why not buy 4,500,000 coffins, with 4,500,000 cemetery lots, and 4,500,000 tombstones, and add so much money for hearses and flowers?

Why not issue a certificate, which can hang in the home, which will say when John Smith dies the Nation's gratitude will be expressed by a fine funeral? Let John and his wife and children look at it every day and wonder whether smallpox, typhoid, or kidney trouble will finally pull the lever that opens the coffers of a grateful Nation.

When John Smith dies Mrs. John Smith may buy a new dress, but John will not see it. Little Mary Smith may have a new doll, but John will not witness Mary's joy.

When a Legion post meets after the passage of this tombstone bill and each soldier lad carries his "pay-after-death" envelope and puts it on the table and then looks over his buddies and considers their state of health, he will wonder who will be first to cash on the Nation's gratitude.

Why make them gamble with death? Why not let them gamble with the vicissitudes of life while they are strong, in full manhood and vigor? Why not let them invest their own money in their own way?

Some will make it pay a thousand times. Some will waste it in a few weeks. That is the way of human nature. Let them take their chances while alive. Why force them to choose death as their paymaster? Let them spend their own money with a smile and see it

grow or see it go in their own way. Let each man take his chance according to his own light, according to his own inclination, upon his own responsibility, and at his own cost.

Why should the Republican members of the Ways and Means Committee set up their judgment as better than the judgment of over 4,000,000 men and women?

Are these ex-service men to be treated as wards of the Nation, without ability to select what is best for them? Are they to be treated as feeble-minded weaklings who can not be trusted to know what they want?

Do not present coffins as presents to men between 20 and 40 years of age. Do not treat our soldiers as though they were halfwits who require nurses or guardians.

We have had enough of death, of high taxes, of worry, and pain, and sacrifice. If we pay, let our boys have some joy and pleasure out of it now, when life is sweet, when ambition burns, and pulses leap to the tune of life.

Mr. BLANTON. Will the gentleman yield?

Mr. HAWES. Yes.

Mr. BLANTON. If we could get up the gentleman's bill and muster enough votes to stop this bill to-morrow and pass the gentleman's bill, we would not be handing these men a gold brick. I am in favor of the gentleman's bill.

Various other Members, friends of the ex-service men and in favor of real adjusted compensation, spoke in similar vein. Congressman GALLIVAN, who introduced the first bill in Congress providing for a soldiers' bonus, declared on the floor of the House that he would not stand for such a bill as this and voted against it. Members freely charged that this bill was hatched in Wall Street, and was not drafted by any friend of the ex-service men. I took the position that the motion to suspend the rules and pass this bill should be voted down and that the friends of the ex-service men in the House, who were amply strong enough to do so, should force them to report out the right kind of a bill or bring up the bill in such manner that it could be amended. If the committee refused to act accordingly, 150 Members of the House could bring it up by petition. While practically all of the friends of the ex-service men agreed that this should be done, yet when the time came most of them voted for the motion to suspend the rules and pass this bill without amendment, privately giving as a reason that they were afraid that their vote against the motion would be misunderstood by the ex-service men. With that view I was not in accord, as I give the ex-service men credit for more intelligence and better judgment than that.

Feeling as I did, and as the ex-service men in the House expressed themselves, as before shown, I could not conscientiously vote for this fraud on the ex-service men, which was not only not what the ex-service men wanted, but which on the other hand would cost the taxpayers from three to four times as much as cash payment.

The friends of the ex-service men in the Senate are going to endeavor to amend the bill there so as to provide a cash option, and I hope that they may succeed in doing so. In the event it is so amended in the Senate it will have to come back for approval of the House with such amendment, and it is my intention to vote for same, and then to vote to pass it over the President's veto, if he should veto it.

The Nashville Tennessean, which has been a consistently strong advocate of genuine adjusted compensation, and which is owned by an ex-service man, Col. Luke Lea, had an editorial March 20, 1924, on the bill recently passed by the House, from which I quote as follows:

A BID FOR VOTES

The so-called bonus bill passed by the House of Representatives is a sordid bid for votes in a presidential year. It is a bill dictated by political expediency and wholly without merit. It is a sugar-coated bill that contains a bitter dram for the country and for the veteran who accepts it—barring the comparatively few who will be paid in cash.

The Tennessean has stood first, last, and all the time for the principle of adjusted compensation. It has believed, and it does believe, that it was wrong to discriminate between men who were drafted for fighting and those who entered the shipyards and munitions factories.

No greater act of injustice has ever been charged to the Republic.

Either adjusted compensation is right or wrong in principle. The Tennessean believes it is right.

If it is right, then this country is rich enough to discharge its obligation and to discharge it in cash.

If the principle is wrong, then there should be no compromise with it. The veteran who will have waited seven years for the privilege of borrowing \$87.93, or less, will hardly look with favor on this bill.

I am the friend of and in full sympathy with the ex-service men, as evidenced by my every act and every utterance affecting their interests. I gladly voted for the measure giving pref-

erence in Government appointments to honorably discharged soldiers, sailors, and marines, and the widows and children of such, and in every instance where I have made a recommendation for appointment and there was an ex-service man on the eligible register I have recommended the appointment of an ex-service man. During the present session I introduced a bill (H. R. 5792) to amend the classification act of 1923 so as to prevent a reduction of compensation of veterans of the World War and of the Spanish-American War and their widows under the classification act, such act already protecting the veterans of the Civil War and their widows in this respect.

I have cheerfully voted for every measure providing for the hospitalization, vocational rehabilitation, compensation, and other benefits for the veterans of the World War. The appropriations for these items aggregate more than \$450,000,000 per annum. I have esteemed it a privilege to aid each and every ex-service man who has sought my assistance as to any matter, having rendered to them the best service of which I was capable, as hundreds of ex-service men throughout my district will testify.

However, I am likewise the representative and friend of all the taxpayers, which includes ex-service men and their relatives, and I can not see the wisdom or propriety of enacting what purports to be an adjusted compensation bill which is not what 90 per cent of the ex-service men want, but which at the same time will cost the taxpayers several times what a cash compensation bill would cost. A cash compensation or bonus, predicated upon the same basis of \$1 per day for service in this country and \$1.25 for overseas service, with the limitations fixed in the bill, would cost only about \$1,000,000,000. On the other hand, the chairman of the Ways and Means Committee estimated that the insurance bill which recently passed the House under the guise of a compensation bill would cost about \$2,119,000,000. The actuary of the American Legion estimated that the same bill would cost about \$3,300,000,000, and the Actuary of the Treasury Department estimated that it would cost about \$4,850,000,000, and neither of these estimates includes the administrative cost necessary to administering the insurance system over a period of 20 years.

I have no patience with the criticism of ex-service men, and want it understood that I do not approve same. I am especially intolerant of the imputation of "dollar patriotism" to ex-service men who seek adjusted compensation; many of those who prate of this at the same time favor permitting the war profiteers to retain their blood money extorted from the people in war profits. For that very reason I am unwilling to aid in perpetrating a fraud upon ex-service men. The Nation's heroes are entitled to better treatment than to be cajoled, deceived, and exploited for political purposes. I believe that they are as intelligent and patriotic as they are brave, and I feel sure that they will ultimately realize that this bill is a false pretense. However, I will not help perpetrate this fraud upon the ex-service men, upon the supposition, which numerous Members of the House freely admit they are proceeding upon, that the ex-service men will not see through the fraud before the coming primary or election. I have a loftier conception of my duty and a higher opinion of the fairness and intelligence of the ex-service men of my district. I do not believe that the ex-service men have any better opinion of a coward in official life than they have of a coward on the battle field.

In fact, I believe that the ex-service men are already onto the "gold brick" bill, H. R. 7959, which passed the House March 18. It has been 18 days since I voted against it, and I have not received or heard of a single criticism or protest from any veteran or other citizen of the district which I have the honor to represent.

Mr. GILBERT. Mr. Speaker, to debate this bill in this House or elsewhere is worse than futile. The opposing opinions on this legislation have become so fixed that discussion only engenders feeling with little hope of making converts. But regardless of its merits, this fact is indisputable, that several million young men in the formative period of their lives believe honestly and sincerely that their Government has been unjust to them. Can this belief be wholly groundless when it must be admitted that the railroads, manufacturers, business generally, and even civil employees of the Government have long since received adjusted compensation for war activities? The responsibility of fostering resentment against their Government on the part of so great a number, founded on an honest belief, is not to be lightly incurred. If this Government is ever overthrown, it will not be from anarchistic propaganda or force from without but by discontent within.

Though I am usually of pronounced opinion, I have never been an extremist on either side of this question, but have

aimed to so speak and vote as to, in my opinion, best serve the interest of the country, having in view the conditions that exist at the time. I announced publicly that I recognized that a discrimination had been made against the soldiers in the Government war activities and subsequent legislation, and I should vote, if the governmental conditions permitted it, for a bill that would recognize that fact. I also stated publicly that I would oppose a cash bonus by reason of the burden upon the public and the evil which would result to its financial stability by being precipitated all at once.

The first bonus bill presented to Congress contained this cash option, but views similar to those herein expressed prevailed, and the bill presented to the last Congress eliminated the cash feature except as to those receiving \$50 or less.

This bill received my support, but was ultimately vetoed by the President. In the meantime, by reason of unwise tariff legislation and a foolish foreign policy, the country did not return to normal conditions, and the situation, especially in the agricultural sections, became the worst in the country's entire history. Taxes were being pyramided and a substantial tax reduction became imperative. I then publicly announced that I considered tax reduction the paramount duty of Congress, and that although I recognized the discrimination against the soldiers, that as between the two I would support tax reduction even to the postponement or denial of a soldiers' adjusted compensation bill. The Secretary of the Treasury stated that the two could not be had. Upon examination, however, of the Treasury's condition, a tax bill was passed which reduces taxes from \$300,000,000 to \$500,000,000 per year. The overwhelming opinion here is that with slight amendments this bill, which has already passed the House, will be approved by the Senate and become law. This great reduction being possible in the opinion of the committee having charge of financial legislation and advised by the experts of the Treasury at its command, a bill for adjusted compensation to the soldiers different from the former bills is again presented to us.

This bill, it is shown, will cost per annum only about one-fourth of the amount saved by the tax reduction bill. In other words, the adjusted-compensation measure will require an expenditure of only one-fourth of the tax reduction previously voted. In view of all these facts, it occurs to me that the wise thing for Congress to do is to stop this agitation, get the matter behind it, and open the channels of legislation for new thought and pass this measure, which the ex-service men have signified a willingness to accept as a vindication of principle, although by no means what they honestly believe they are entitled to. Especially as this bill in all probability will, by postponing the benefits until they will be needed, save its entire cost in influencing future pension legislation.

Some correspondence received at my office would seem to indicate that in the opinion of some my vote for this measure would be inconsistent with previous statements, but having them all before me, considering the different bills as they were presented, and the Treasury's actual condition as shown by the facts, my vote on this matter is not only wise, in my opinion, but no other vote would be consistent with my announced intentions. My position on this bill is the same taken by the overwhelming majority of Congress, including most of those who have previously opposed other bonus bills, also by the Boyle Post of the American Legion, heretofore opposed to the bonus, and by the great majority of the intelligent thought here familiar with all the conditions.

Mr. TAYLOR of West Virginia. Mr. Speaker and gentlemen of the House, I favor adjusted compensation for our World War veterans. I believe that to give them adjusted compensation of any kind is but tardy recognition of a national obligation.

Some oppose the so-called bonus because they claim it capitalizes patriotism, but I would much rather see patriotism capitalized than to see it penalized, and we do penalize the men who sprang to arms in our defense when we say that they shall receive only a mere pittance while serving under arms, while all others were given adjusted compensation at the same time by substantial wage increases.

Two young men were working in a mine when war was declared. Each was making a fairly good wage. One volunteered and was soon in the service of his country at \$1 a day, which was one-fourth of his former wage. The other remained at work at \$4 a day. The one who volunteered took a decrease in wages, gave up the comforts of home, the freedom of action, the society of his friends, his usual pleasant environment, and voluntarily took upon himself the strict regulations of military life, the discomfort of the drill field, the gruelling marches, and other training that fitted him for overseas service. "Over

there" he endured the grime and vermin of the trenches, the lonely night vigil, the long wait for the zero hour, the charge across No Man's Land, heard the shrieks of the wounded and saw the carnage of the dead, gallantly serving his country for a little more than \$1 a day. When the war was over he returned to find himself out of employment. He had been able to save nothing while in service, and weeks and months of anxiety followed while he tried to adjust himself to the old order and to the changed conditions.

What of the young man who remained at work? Because coal was necessary to the winning of the war he was exempted for vocational occupation and remained at work. He was just as truly a soldier in this occupation, enlisted in the great cause of making the world safe for democracy, as was his friend who was then serving in the Army, but how did he fare? First, he retained the comforts of home and the society of his friends. He retained his freedom of movement when his day's work was done. In his leisure hours he rode about the country with his friends in a machine he was able to purchase from increased earnings. He saw his wages gradually climb until they far surpassed his fondest dreams. He was enjoying adjusted compensation, given to him by at least two and possibly three wage increases since his friend entered the service. We rejoiced at his ability to make good money. We can not now, in sincerity, deny the right of the soldier boy to share in that adjusted compensation by what measure he may in the bill presented for our consideration. Multiply these two cases by the hundreds of thousands and you will have a fair cross-section estimate of the conditions that prevailed during the war period.

After hostilities ceased the National Government made compensation adjustments with certain war contractors who presented arguments no more compelling than those now presented by our ex-service men. A bonus of \$20 a month is paid to all civil Government employees who earn less than a certain fixed sum. Quite recently a coal company in my county was given a judgment in a Federal court for the difference between the price of coal paid by the Government for coal that was commandeered and the price that it could have secured in the open market. These are examples of adjusted compensation. Shall we condone these and at the same time condemn the efforts of ex-service men to be so recognized?

War is the most costly of all national pastimes. We got nothing from our participation in the war except vindication of a great principle. We left 50,000 dead in Flanders field. One way to end war is to make it less attractive for those who make a profit out of its necessities. One way to do this is to pay our soldiers a service wage commensurate with their sacrifice, just as we pay those who engage in vocational pursuits in time of war a living, decent wage.

God grant that we may never be called upon to again take up arms against another nation in defense of a principle. But if the emergency is again forced upon us we can rely upon the young manhood of the country, if properly appreciated now, to again spring to arms in our defense, and again emerge victorious.

Mr. PRALL. Mr. Speaker, I claim the privilege to say a few words in appreciation of the services rendered our country by the ex-soldier of the late World War.

I remember very well when the announcement came through the press that war had been declared with Germany, and I shall never forget the seriousness of it all.

I shall never forget how the news sobered the people, men and women alike, of the great city of New York, where I happened to be at the time. The shock was staggering, particularly to those whose boys had attained the age of the fighting man, and more especially to the mothers of these boys.

It was very natural, Mr. Speaker, that the country should experience a condition of feverish anxiety, and with pride and admiration we recall the rush for voluntary enlistment, then the work of the draft boards, followed by the leave-taking of our boys for the training camps of the Army and Navy.

At every point of departure flags were flying, bands were playing, public officials and patriotic citizens were bidding these boys godspeed and a safe return, and the great mass of citizens in every community was there to participate in the leave taking and lend encouragement to those brave lads and to otherwise show their patriotism.

After a period at the training camps, troopships left the great port of New York loaded to capacity with these boys. I saw thousands of them leave that port, accompanied by the cheers and plaudits of crowds lining the shores of New York Bay, and, while the chills of patriotism ran up and down our

spines, we were seized with fear and apprehension lest an enemy submarine or mine might carry them to destruction. I remember very well the intense interest we all exhibited in the daily record of events—the arrival on the other side, the preparation for battle, the advance, the fury of it all, and finally the riotous, aye, almost insane, welcome that seized the populace (although at the time false and unofficial) when word was received that an armistice had been signed and that our armies had been victorious.

I happened to be in the city of New York when this news was received, and never before had I experienced such genuine rejoicing and surely never before had such prayers of thanksgiving been offered our Maker. The streets and avenues everywhere were blocked by mobs of men, women, and children pouring out of every building to join the great mob and give vent to feelings of joy. Business was completely suspended. Following that came the homecoming of the troops, the great welcome, day after day, as they proudly marched up Fifth Avenue with the windows of every building jammed with people and with mobs filling the space from the buildings to the street line, cheering their welcome to our boys.

It is indeed surprising after these wonderful demonstrations of welcome on the part of our citizens and their gratitude expressed in every conceivable form, to receive as I have, protests from many of these citizens against the bill providing for adjusted compensation, which we are discussing.

I can not and do not believe these expressions came voluntarily from our citizens. I firmly believe it is the result of well-planned propaganda spread broadcast by the press through the efforts of the committee favoring the proposed Mellon tax-reduction plan. This is more apparent because practically every communication and telegram that I have received strongly advocates the passage of the Mellon plan of tax reduction and as strongly protests against the passage of the adjusted compensation bill for ex-soldiers.

It is a serious spectacle indeed to realize, so soon after our boys were hurling bullets and bombs at our enemy and baring their breasts to the bullets and bombs of that enemy to save not only our country but the countries of the world, that in return many of our people have been induced to sign protests and have been hurling these protests at these same heroes in their effort to defeat the purposes of this bill.

Commander Edward E. Spafford, of the New York American Legion, aptly says:

The American Legion needs no encomium from me or from any man. Its ideals and its works recommend it to every patriotic American of this and succeeding generations. It must be and is, and ever will be, an organization of service. Its first duty is to those who gave their lives and to those who lost their physical or mental health in the World War. Its performance of duty in keeping green in the hearts of men the memory of the former and its zeal in providing for the care of the latter is so evident that no honest man in America doubts the sincerity of the American Legion in its expressed purpose of caring for those who lost step through war hazards. Every measure extending relief to the disabled and every development and increase of hospitalization facilities since the war has either been introduced into Congress or been fostered by the American Legion.

Neither vociferous mouthings nor printed circulars containing such sweet-sounding sentiments as "For the disabled everything, for the able-bodied nothing" can destroy in the hearts of the gold-star mothers and the boys who have lost step the appreciation which those war victims feel for the accomplishments of the American Legion. And it is singular, indeed, that such a slogan should be sounded by an organization that has never raised its voice nor spent a dollar to succor the disabled man, and has never sounded alarm for any cause except to raise money to fight what it chooses to call "the bonus."

Adjusted compensation contemplates an attempt to equalize the compensation of the service man in accordance with the circumstances and conditions prevailing during and after his service, or at least to relieve him somewhat from the penalty that service has brought to him. That is what the American Legion adjusted-compensation program hopes to accomplish, and in so doing it treats every service man as an equal and every comrade as on the same economic basis. "Bonus" implies a gift of something in addition to that which is strictly due to the recipient. More strongly than any other organization the American Legion opposes a gift to anyone in excess of that which is due him for service.

What is the adjusted-compensation program of the American Legion? It provides for an adjusted service credit for each person who served honorably up to the grade of captain in the Army and lieutenant in the Navy for more than 60 days at the rate of \$1 per day for home service and \$1.25 per day for overseas service. Service must have been between April 6, 1917, and July 1, 1919, and must have com-

menced prior to November 11, 1918. The highest adjusted service credit possible is \$500 for home service and \$625 for foreign service, and to attain that a person must have been in service for 560 days or more between the dates mentioned.

In order for a man to get anything whatsoever from the Government the man must have been in service for more than 60 days. For service in excess of 60 days and up to 110 days the man must accept cash. The amount to be paid in cash is therefore definitely known.

A canvass by no means universal, but which is regarded as a fair test, indicates that 75 per cent of the veterans who can will take the adjusted service certificate plan, which, to any reasonable mind, can not but be a stimulus to business and a stabilizing influence in national finances.

Why should the adjusted-compensation program of the American Legion be carried out?

This program should be carried out because:

1. The measure was prepared at the request of the people's representatives.

2. The measure is indorsed by all unselfish veteran organizations of every war whose veterans are now living and by the people of this country.

3. The people of this country demand the payment of the debt.

4. The debt is just and owed by our Government—

(a) Because of money actually removed from the pay envelopes of the soldiers and sailors.

(b) Because the pay of the soldier and sailor was not advanced as the cost of living advanced, and in consequence the soldier was paid in depreciated currency.

5. All precedent shows that debts of this sort have always been paid by our Nation.

6. The country is abundantly able to pay its just debt to its soldier.

7. It is economically sound and to the best interests of the individuals and the Nation.

Time has passed and the debt is now very similar to a doctor's bill. The patients were grateful and set before him the best in the house when he returned, but now there is no sickness in the family and the debt is at least an annoyance.

During and since the war every civilian employee of the United States has been given \$240 a year in adjustment of compensation.

The fact is lost sight of that during the war families of the men in the service were obliged to meet the constantly increasing cost of ordinary living. They were obliged to meet this out of the meager pay of the soldier, who had been taken from his ordinary vocation and forced to work for \$30 per month.

In order to meet the increased cost of living the compensation paid all other employees was increased, so that the civilian workers, the business men, and the industries of the country were paid their bonus while the war was going on. The soldier and his family did not participate in this and were obliged to meet the increased cost of living from the meager wage paid him and suffered accordingly. Their income and assets were daily diminishing, while the assets of the others increased.

The earnings of the individual worker in the factory and of business institutions doubled, trebled, and even quadrupled during the war.

Every succeeding contract for shoes and clothing, for food, and for munitions made by our Government was at increased cost to the Government, increased profit for the manufacturer, and increased wages for the worker, and during all this time the dependents of the soldier who had to buy necessities in a constantly soaring market received from the Government the same allotment and the soldier the same base pay.

The average pay actually received by a buck private was not \$30 a month but about \$12 a month, and the buck who actually received \$5 a month in France was a bonded plutocrat.

The men in the military establishments had to bear the full economic burden. Their dollar would only buy half as much as before, yet they received no increase in pay. The dependent wife or child or mother or sister found her allotment enough for bare necessities only when its amount was fixed in early 1917 and to be altogether inadequate for keeping body and soul together as the months passed. This scientifically designed allotment compensation was never adjusted to meet the necessities of the family and the home.

Hundreds of thousands of these dependents suffered want and hunger during the service of their loved ones, and more found it necessary to neglect their home duties and seek employment in order that they and their children might have food, clothing, and fuel of the poorest sort. And when it was all over the service man came home, to be greeted by a welcome home committee, jobless and in many instances without funds enough to outfit himself with civilian clothing. It is this handicap in civil life that we seek to adjust. These are the facts of the real necessity of adjusted compensation, which is just as acute to-day, though less generally recognized by the public. Practically no soldier profited and substantially all suffered, together with their families, from this situation, over which they have no control.

Unless the United States of America meets the obligation to adjust the compensation of the men and women who protected her interests

and the interests of humanity throughout the world while serving with her colors during the World War, she must stand before the bar of human justice and plead guilty of that old and oft-repeated charge, "Republicans are always ungrateful."

But America has never yet failed those who defended her, as is evidenced by precedents which date back to the Revolution.

The history of the Mellon plan is unusual. Heretofore tax plans have been drawn by Congress and enacted into law by Congress as provided under our Constitution. But this time Mr. Mellon dictated the tax plan himself and has been since endeavoring to force Congress to enact it. The methods employed by Mr. Mellon and his associates in this attempt to coerce Congress have been developed through the most intensive barrage of propaganda with which Congress has ever been deluged in its history. Form letters, printed matter, type-written letters, and telegrams have been received by thousands daily, urging the enactment of the Mellon tax plan and in the same breath asking for the defeat of the adjusted compensation measure. Mr. Mellon has stated that the country could have either but not both. These form letters and printed pamphlets began to arrive before the provisions of the Mellon tax plan were made public, showing conclusively that this concerted action on the part of the big interests of the country had been planned long in advance of the announcement of Mr. Mellon's two-in-one proposal to cut the millionaire's tax and beat the adjusted compensation bill.

If to serve those who served our country means the severance of social or political friendships, official prestige, or the loss of political preferment, I willingly accept whatever the future has in store for me. I am glad to support and vote for this bill.

Mr. HILL of Washington. Mr. Speaker, the soldiers' adjusted compensation bill (H. R. 7959) was taken up and passed in this House on March 18 last under a special rule which limited debate and denied the offering of amendments thereto. The Members of this House were compelled to vote for this bill as it was written and reported, or to vote against it.

The bill provides for adjusted compensation in the form of paid-up insurance only, except, first, when the amount of such compensation credit does not exceed \$50 and, second, when the soldier has died prior to the passage of this act. Under the exceptions named the bill provides that the compensation shall be made in cash to the soldier, if living, or to his dependents, if he is deceased.

The insurance provisions are set forth principally under Title V, sections 501 and 502 of the bill, which are as follows:

TITLE V.—ADJUSTED SERVICE CERTIFICATES

SEC. 501. The Director of the United States Veterans' Bureau (hereinafter in this title referred to as the "director"), upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 303, is hereby directed to issue without cost to the veteran designated therein a nonparticipating adjusted service certificate (hereinafter in this title referred to as a "certificate") of a face value equal to the amount of 20-year endowment insurance that the amount of his adjusted service credit increased by 25 per cent would purchase, at his age on his birthday nearest the date of the certificate, if applied as a net single premium, calculated in accordance with accepted actuarial principles and based upon the American Experience Table of Mortality and interest at 4 per cent per annum, compounded annually. The certificate shall be dated, and all rights conferred under the provisions of this title shall take effect, as of the first day of the month in which the application is filed, but in no case before January 1, 1925. The veteran shall name the beneficiary of the certificate and may from time to time, with the approval of the director, change such beneficiary. The amount of the face value of the certificate (except as provided in subdivisions (c), (d), (e), and (f) of section 502) shall be payable out of the fund created by section 503 (1) to the veteran 20 years after the date of the certificate, or (2) upon the death of the veteran prior to the expiration of such 20-year period, to the beneficiary named; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, the amount of the face value of the certificate shall be paid to the estate of the veteran. If the veteran dies after making application under section 302, but before January 1, 1925, then the amount of the face value of the certificate shall be paid in the same manner as if his death had occurred after January 1, 1925.

LOAN PRIVILEGES

SEC. 502. (a) A loan may be made to a veteran upon his adjusted service certificate only in accordance with the provisions of this section.

(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of

Columbia (hereinafter in this section called "bank"), is authorized, after the expiration of two years after the date of the certificate, to loan to any veteran upon his promissory note secured by his adjusted service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate. The rate of interest charged upon the loan by the bank shall not exceed by more than 2 per cent per annum the rate charged at the date of the loan for the discount of commercial paper under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which the bank is located. Any bank holding a note for a loan under this section secured by a certificate (whether the bank originally making the loan or a bank to which the note and certificate have been transferred) may sell the note to, or discount or rediscount it with, any bank authorized to make a loan to a veteran under this section and transfer the certificate to such bank. Upon the indorsement of any bank and subject to regulations to be prescribed by the Federal Reserve Board, any such note secured by a certificate and held by a bank shall be eligible for discount or rediscount by the Federal reserve bank for the Federal reserve district in which the bank is located. Such note shall be eligible for discount or rediscount whether or not the bank is a member of the Federal reserve system and whether or not it acquired the note in the first instance or acquired it by transfer upon the indorsement of any other bank. Such note shall not be eligible for discount or rediscount unless it has at the time of discount or rediscount a maturity not in excess of nine months, exclusive of days of grace. The rate of interest charged by the Federal reserve bank shall be the same as that charged by it for the discount or rediscount of notes drawn for commercial purposes. Any such note secured by a certificate may be offered as collateral security for the issuance of Federal reserve notes under the provisions of section 16 of the Federal reserve act. The Federal Reserve Board is authorized to permit a Federal reserve bank to rediscount for any other Federal reserve bank notes secured by a certificate. The rate of interest for such rediscounts shall be fixed by the Federal Reserve Board. In case the note is sold, the bank making the sale shall promptly notify the veteran by mail at his last known post-office address.

(c) If the veteran does not pay the principal and interest of the loan upon its maturity, the bank holding the note and certificate may, after the expiration of six months after the loan was made, present them to the director. The director may, in his discretion, accept the certificate and note, cancel the note (but not the certificate), and pay the bank, in full satisfaction of its claim, the amount of the unpaid principal due it, and the unpaid interest accrued, at the rate fixed in the note, up to the date of the check issued to the bank. The director shall restore to the veteran, at any time prior to its maturity, any certificate so accepted, upon receipt from him of an amount equal to the sum of (1) the amount paid by the United States to the bank in cancellation of his note, plus (2) interest on such amount from the time of such payment to the date of such receipt, at 6 per cent per annum, compounded annually.

(d) If the veteran fails to redeem his certificate from the director before its maturity, or before the death of the veteran, the director shall deduct from the face value of the certificate (as determined in section 501) an amount equal to the sum of (1) the amount paid by the United States to the bank on account of the note of the veteran, plus (2) interest on such amount from the time of such payment to the date of maturity of the certificate or of the death of the veteran, at the rate of 6 per cent per annum, compounded annually, and shall pay the remainder in accordance with the provisions of section 501.

(e) If the veteran dies before the maturity of the loan, the amount of the unpaid principal and the unpaid interest accrued up to the date of his death shall be immediately due and payable. In such case, or if the veteran dies on the day the loan matures or within six months thereafter, the bank holding the note and certificate shall, upon notice of the death, present them to the director, who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the check issued to the bank; except that if, prior to the payment, the bank is notified of the death by the director and fails to present the certificate and note to the director within 15 days after the notice, such interest shall be only up to the fifteenth day after such notice. The director shall deduct the amount so paid from the face value (as determined under section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(f) If the veteran has not died before the maturity of the certificate, and has failed to pay his note to the bank holding the note and certificate, such bank shall, at the maturity of the certificate, present the note and certificate to the director, who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the maturity

of the certificate. The director shall deduct the amount so paid from the face value (as determined in sec. 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(g) The loan basis of any certificate at any time shall, for the purpose of this section, be an amount which is not in excess of either (1) 90 per cent of the reserve value of the certificate on the last day of the current certificate year, or (2) 60 per cent of the face value of the certificate. The reserve value of a certificate on the last day of any certificate year shall be the full reserve required on such certificate, based on an annual premium for 20 years and calculated in accordance with the American Experience Table of Mortality and interest at 4 per cent per annum, compounded annually.

(h) No payment upon any note shall be made under this section by the director to any bank unless the note when presented to him is accompanied by an affidavit made by an officer of the bank which made the loan, before a notary public or other officer designated for the purpose by regulation of the director, and stating that such bank has not charged or collected, or attempted to charge or collect, directly or indirectly, any fee or other compensation (except interest as authorized by this section) in respect of any loan made under this section by the bank to a veteran. Any bank which, or director, officer, or employee thereof who, does so charge, collect, or attempt to charge or collect any such fee or compensation, shall be liable to the veteran for a penalty of \$100, to be recovered in a civil suit brought by the veteran. The director shall upon request of any bank or veteran furnish a blank form for such affidavit.

SEC. 503. No certificate issued or right conferred under the provisions of this title shall, except as provided in section 502, be negotiable or assignable or serve as security for a loan. Any negotiation, assignment, or loan made in violation of any provision of this section shall be held void.

I favor adjusted compensation for the ex-service men. They are entitled to it as a matter of right and justice, and they are so entitled to such adjustment in more liberal amounts than they have asked for. I voted for the present bill because I favor its provisions so far as they go and because there was no opportunity to vote for an adjusted compensation measure containing other provisions for such adjustment at the option of the soldier.

I had studied, approved, and intended to support the adjusted compensation bill known as the Watkins bill, but we are to have no opportunity to vote on that bill.

I think the ex-service men themselves ought to have something to say as to the provisions for the adjustment of their compensation. It may be that a large percentage of them prefer the insurance plan, but it seems to me unfair to deny to them the option of other plans from which to select in order that individual situations and necessities might be the more adequately accommodated.

I shall welcome the opportunity, if one is afforded, to work and vote for a more comprehensive plan for adjusted compensation and one which will reflect more fully the wishes of the ex-service men.

MR. GALLIVAN. Mr. Speaker, I have so often addressed the House on the undisputed merits of an adequate soldiers' bonus bill that I shall take little time to-day in what I may say to you. This bill now under consideration is probably the most abortive measure of its kind that has ever come out of a legislative committee. I understand it was favored by the Ways and Means Committee by a margin of but one vote. Those members of the committee who voted against it ought to be proud of their action, and their names ought to be emblazoned in every corner of the Republic where service men abide.

You know I never talk politics in this House, but I must here and now say that this bill is a cheap subterfuge of the Republican members of the Ways and Means Committee, a gold brick which they intend to sell to the veterans of the World War. Every organization of veterans should assail and condemn it. It puts a premium upon death, and really provides that adjusted compensation be paid only to the undertaker who carts away the body of the dead veteran. You know Will Rogers, the foremost citizen of Oklahoma, says that by this bill you are saying to the men whom you could not get to die for nothing that now they must die for something in the neighborhood of \$500. This bogus bonus bill is an offer of the rankest kind, and I want to remind you who favor it that the veterans of the World War are not numbskulls. They know the bill is a joke. They know it is no act of friendship on the part of any of you to vote for this lying measure. Some of them will wonder whether or not you have not had recourse to Joe Miller's ancient joke book.

But let me tell you, alleged friends of the service men, that chickens come home to roost and that the bogus bonus bill will

prove to be a bludgeon in the hands of the veterans when the idea of November comes about us.

Although I have been a hundred per cent cash-bonus man, I would gladly have voted for an optional bill which would give these lads either the cash or an insurance policy; but you have said unto them "the only man who gets the cash will be the undertaker." I can not too often repeat this line. I can not support the bill. I refuse to be a party to the deception and the fraud that is practiced in its proposed enactment. I am so sorry that the President of the United States, a citizen of my own Commonwealth, has evidently forced some of you to get away from a cash program for the lads. To show you how the boys themselves feel about the position of President Coolidge, may I ask you to listen to a letter which comes to me from Lewis R. Sullivan, jr., publicity officer, Department of Massachusetts, Veterans of Foreign Wars of the United States. This letter was written to President Coolidge shortly after his declaration that he was opposed to a soldiers' bonus, and it reads as follows:

HON. CALVIN COOLIDGE,

President of the United States, Washington, D. C.

MY DEAR MR. PRESIDENT: The officers of the Massachusetts Department of the Veterans of Foreign Wars have read with surprise and disappointment your utterances on the question of adjusted compensation (often erroneously called the bonus) for the men who served in the military and naval service during the World War. We have been led to believe by your statements and actions as Governor of Massachusetts that your attitude would be different. We can not forget that in the stirring days of 1919 you enthusiastically welcomed the returning soldiers with the words "There is nothing that the Commonwealth can do which will exceed the debt of gratitude due to the men who have maintained by their service and their sacrifice the ideals on which our institutions are founded." It can not be that with the fading of the emotions of those days your enthusiasm for the veteran has waned.

The principle of adjusted compensation was not always repugnant to you. As citizens of Massachusetts we hark back to the day when, as the chief executive of our Commonwealth, you sent a message to a special session of the legislature calling attention to certain matters of great importance which necessitated immediate legislation. The major part of that message was devoted to a recommendation urging adjusted compensation for the State guard. You said in part:

"On September 9 last large numbers of the police of Boston, acting in concert, abandoned their posts of duty. Immediately thereafter rioting and disorder broke out to such an extent that it became necessary to call out the State guard to restore and preserve order. During the period of recruiting the police considerable numbers of the guard have been kept in active service. This emergency has resulted in expenses being incurred, for which an appropriation must be made. The State guard called upon to perform this service have responded in a most satisfactory and loyal way. They merit the gratitude and commendation of the people of this Commonwealth. The compensation allowed by law is \$1.55 per diem, with food, quarters, and equipment. They have met their obligation to the Commonwealth. The Commonwealth should meet its obligation to them. I recommend each member of the State guard receiving less than \$3 per diem be paid an additional sum so that his compensation shall be \$3 per diem, also an appropriation for said expenses.

"They have met their obligation to the Commonwealth. The Commonwealth should meet its obligation to them."

Did not the men who in 1918 were ready to give their all in establishing law and order once more in a war-stricken world meet their obligation with the Nation? Is it not high time that the Nation meet its obligation with them?

For five years adjusted compensation has been the football of politics. For five years, a measure eminently just has failed of passage because of the specious arguments advanced by the representatives of big-business interests. During that time the ex-service man has noted the adjustment of compensation for other war claimants. The settling of claims of war contractors by the passage of the Dent Act, under which compensation was paid amounting to nearly \$3,000,000,000; the payment to the railroads of \$500,000,000 for losses incurred under war administration; the adjustment of the compensation of civilian employees, involving an amount over \$200,000,000; the payment of \$40,000,000 to compensate mine owners for losses incurred in merely getting ready to produce minerals for chemical warfare, but without actually producing them; the millions voted for relief of Shipping Board contractors. These and other adjustments of compensation were made while those who offered to their country not property but their youth and their lives were struggling, in a period of unemployment and general depression, to regain their peace-time status.

Now that the claims of business have been satisfied we find the big-business interests, speaking through their mouthpiece, Secretary

Mellon, the third wealthiest man in the country, opposing with every resource at their command the adjustment of the compensation for those whose service in 1918 made their fortunes and property secure.

In 1922, when the people had made clear to Congress their desire to have the adjusted compensation bill passed, the measure was vetoed on the ground that we were "face to face with a great emergency" in that "the latest Budget figures for the current fiscal year show an estimated deficit of more than \$650,000,000." Instead of deficit, however, the Nation found itself at the end of the fiscal year with a surplus of some \$300,000,000. It was the reported deficit of Secretary Mellon, which was nearly a billion dollars in error, which accounted for the defeat of adjusted compensation last year.

This year we find Secretary Mellon, again the leader of the most bitter opponents of the measure, sending forth another statement which we believe is utterly, totally, and absolutely false. We can not but feel that your summary dismissal in nine words of a measure affecting the welfare of 4,000,000 ex-service men and their families, was motivated to a large extent by your belief in Secretary Mellon's statements "that a soldiers' bonus would postpone tax reduction not for one but for many years to come. It would mean an increase rather than a decrease in taxes."

The tax-reduction program proposes lopping off \$323,000,000. The average cost of adjusted compensation for the first three years, based on the estimates prepared for the Finance Committee by the Government actuary of the Treasury Department in 1922, would be about \$81,000,000. Why, then, can not adjusted compensation be paid and taxes reduced to the amount of \$240,000,000? We are not unaware of Secretary Mellon's assertion that the average cost would exceed \$200,000,000, but maintain that this figure is based on the most improbable basis, and respectfully call attention to his erroneous statement last year and his obvious opposition to the measure.

As citizens of Massachusetts, as ex-service men whose hearts were warmed by your glowing words of praise and promise on our return in 1919; we feel certain that when the adjusted compensation bill is passed by Congress, it will not be returned with your veto. Despite the shouting and clamoring of the big business interests, the cry of justice can not be continually ignored. As Washington said 140 years ago of the compensation proposed for the soldiers of the Revolution, "It is a debt of honor which can not be canceled until it is fairly discharged."

Most respectfully yours,

JOSEPH GANNON,
Chairman Legislative Committee.

MR. YATES. Mr. Speaker, what a glorious roll call is that of America! Only an American can call that glorious roll. From Bunker Hill to Malvern Hill and from Malvern Hill to San Juan Hill there has been such American valor as to keep the kings and emperors and the sultans and the czars and mikados off of us for 140 years. And to Bunker Hill and San Juan Hill there are now other names to add. We have Dead Man's Hill and Hill 204 and the heights of Verdun and the Meuse-Argonne and the St. Mihiel salient and Grand Pre and Chateau-Thierry and Belleau Wood. Three thousand feet from north to south and fifteen hundred feet from end to end and two or three times as high in the middle as this Hill stands Belleau Wood. I had 30 unforgettable days in France and on the ocean with the American Army and the American Navy, and I saw Belleau Wood. I went all over it, from end to end and side to side, and when I got through I was exhausted—and I bore no burden and I fought no foe.

But I did encounter the tangled vines and the fallen trees and the German pill boxes and the concrete defenses. Imagine a rock as big as a piano and another rock about the same size 20 feet away, and a solid wall of concrete connecting the two of them. Imagine such obstructions over here and over there, and over here and over there, all the way up to the top of the wood and down on the other side. And one day a boy came and with his comrades stood at the south end of that wood. And on the day that he came, there crouched behind the fallen trees and the concrete defenses the scientific soldier of the scientific nation of the scientific age of this world—the German soldier—some soldier! And while 6,000 of his comrades laid down their lives there this boy went over the tangled vines and the fallen trees and over the German pill boxes and the concrete defenses and whipped the finest army in the world under the Stars and Stripes! And who was this boy? Why, just bone of your bone, flesh of your flesh, just boy—boy who did not know war—boy who did not want war—just the boy who used to come to you for bread and butter and sugar at 4 o'clock in the afternoon. He did it.

And this is just as good a place as any to say that I was recently taken to task, on a street corner of the city of Chicago,

by three fat profiteers, for voting for the soldiers' bonus. They asked me for my reasons, and when I said, "There are a hundred reasons; for example, the pledge," they replied, arrogantly and insolently, "What pledge?" And I said, "Why, do not you know? The pledge that I made under the old trees in the old yard of the old courthouse the day the boys went away—the same pledge made in every courthouse yard and in every camp and in every park in the United States, namely, that we were behind the boys, a hundred and ten million of us; that we would build a bridge of sympathy and support all the way from Yankee Land to No Man's Land and back again, and that when the boy got back he could have what was left."

And, fellow citizens, you know that was the pledge; you know it, you and you and you. What I want to know is: Can a nation live that will repudiate such a pledge, and ought such a nation to live?

About the only objection that I have heard is that the bonus is so small it would be an insult to the soldier boy. Well, when Great Britain needed four thousand millions of dollars she got them from us and stood for the insult. When France wanted three and a half billions of dollars she got them from us and swallowed the insult. Even the dear, good, kind King of Belgium made a fine speech to Congress one day and went home the next day with a \$150,000,000 draft in his pocket—just about what the soldiers' bonus would cost us the first year if we insulted the boy with that kind of thing. And I am in favor of insulting the American boy with a billion if necessary, and I know where to get the money. We will get it from the two nations, Great Britain and France, who this very hour are building ships on the sea and ships under the sea and ships in the air and maintaining this very night vast armies and vast navies with our money. And to the honor and glory of old England be it said that the £944,000,000 sterling to pay to America the four thousand million dollars which Great Britain owes will be paid to America, and a commission of Frenchmen has just announced that the credit of France is good and that she will yet pay all.

I have done everything I could to obtain for the soldier boy a cash bonus. I tried to get time, if only a minute, to explain why a cash payment was appropriate, and not an insurance policy, but the House was working under a rule which permitted nothing in order except the motion to suspend the rules and pass the pending bill, namely, the life-insurance provision, and so I did not get a chance to offer an amendment for a cash bonus, and all I could do was to say "I want to vote for a cash bonus," and this I did. I would like to have every soldier and soldier's friend in Illinois read page 4440 of the CONGRESSIONAL RECORD, containing the official verbatim report of the proceedings of March 18. The portion I refer to is as follows:

The SPEAKER. The gentleman from Iowa asks unanimous consent that all Members have five legislative days within which to extend their own remarks in the RECORD upon this bill. Is there objection?

Mr. YATES. Mr. Speaker, reserving the right to object, I want to inquire whether this will be the only opportunity for those of us to speak who are in favor of a cash bonus?

Mr. GREEN of Iowa. It will not.

Mr. YATES. When will we get in? I want to vote for a cash bonus. [Applause.] I would like an answer to my question.

Mr. RANKIN. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection?

Mr. BEGG. Mr. Speaker, I object.

ADJOURNMENT

Mr. BEGG. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Friday, April 4, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 597. A bill providing additional terminal facilities in square east of 710 and square 712 in the District of Columbia for freight traffic; without amendment (Rept. No. 436). Referred to the House Calendar.

Mr. FOSTER: Committee on the Judiciary. S. 2821. A bill to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911; without amendment (Rept. No. 440). Referred to the House Calendar.

Mr. PARKS of Arkansas: Committee on Interstate and Foreign Commerce. S. 2686. A bill to authorize the Federal Power Commission to amend permit No. 1, project No. 1, issued to the Dixie Power Co.; with an amendment (Rept. No. 437). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. J. Res. 202. A joint resolution for the relief of the boll weevil, drought, and flood stricken farm areas of Oklahoma; with amendments (Rept. No. 438). Referred to the Committee of the Whole House on the state of the Union.

Mr. CLARKE of New York: Committee on Agriculture. H. R. 4830. A bill to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor; with amendments (Rept. No. 439). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAPES: Committee on Interstate and Foreign Commerce. H. R. 8084. A bill to extend the time for commencing and completing the construction of a bridge across Detroit River within or near the city limits of Detroit, Mich.; without amendment (Rept. No. 441). Referred to the House Calendar.

Mr. JARRETT: Committee on the Public Lands. H. R. 4985. A bill to repeal the first proviso of section 4 of an act to establish a national park in the Territory of Hawaii, approved August 1, 1916; without amendment (Rept. No. 442). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 7400. A bill authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses; without amendment (Rept. No. 443). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 6207. A bill authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes; without amendment (Rept. No. 445). Referred to the Committee of the Whole House on the state of the Union.

Mr. GARBER: Committee on Indian Affairs. H. R. 6864. A bill authorizing the use of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project; with amendments (Rept. No. 446). Referred to the Committee of the Whole House on the state of the Union.

Mr. MADDEN: Special Committee to Consider the Adjustment of Salaries of Officers and Employees of the Legislative Branch. H. R. 8262. A bill to fix the compensation of officers and employees of the legislative branch of the Government; without amendment (Rept. No. 447). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 8369. A bill to extend the period in which relief may be granted accountable officers of the War and Navy Departments, and for other purposes; without amendment (Rept. No. 448). Referred to the Committee of the Whole House on the state of the Union.

Mr. QUIN: Committee on Military Affairs. H. R. 4816. A bill authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.; without amendment (Rept. No. 449). Referred to the Committee of the Whole House on the state of the Union.

Mr. MONTAGUE: Committee on the Judiciary. S. 1609. An act to fix the time for the terms of the United States district courts in the western district of Virginia; with amendments (Rept. No. 450). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GERAN: Committee on Military Affairs. H. R. 2607. A bill for the relief of Jesse L. Meeks; with an amendment (Rept. No. 444). Referred to the Committee of the Whole House.

Mr. McSWAIN: Committee on Military Affairs. H. R. 7296. A bill for the relief of John W. Dilks; with an amendment (Rept. No. 451). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 4733) granting a pension to Royal O. Tyler; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 8302) granting an increase of pension to Malinda Suggs; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BARKLEY: A bill (H. R. 8405) providing for a survey and examination of the Mississippi and Ohio Rivers for the purpose of determining the feasibility and estimating the cost of constructing a highway bridge across said rivers at Cairo, Ill., connecting the States of Kentucky, Illinois, and Missouri; to the Committee on Interstate and Foreign Commerce.

By Mr. CASEY: A bill (H. R. 8406) to enlarge, extend, and remodel the post-office building at Wilkes-Barre, Pa., on the present site, in the discretion of the Secretary of the Treasury; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8407) to enlarge, extend, and remodel the post-office building at Hazleton, Pa., on the present site, in the discretion of the Secretary of the Treasury; to the Committee on Public Buildings and Grounds.

By Mr. HUDSPETH: A bill (H. R. 8408) to provide for the storage of the waters of the Pecos River; to the Committee on Irrigation and Reclamation.

By Mr. LaGUARDIA: A bill (H. R. 8409) to create a bureau of criminal identification, and for other purposes; to the Committee on the Judiciary.

By Mr. ZIHLMAN: A bill (H. R. 8410) to change the name of Third Place NE. to Abbey Place; to the Committee on the District of Columbia.

By Mr. BUCHANAN: A bill (H. R. 8411) providing for the purchase of a site for a Federal building at the city of Lockhart, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. LAZARO: A bill (H. R. 8412) to establish a fish-cultural station at some point in the State of Louisiana; to the Committee on the Merchant Marine and Fisheries.

By Mr. WILSON of Louisiana: A bill (H. R. 8413) to establish a fish-cultural station at or near Jonesville, La.; to the Committee on the Merchant Marine and Fisheries.

By Mr. CONNOLLY of Pennsylvania: A bill (H. R. 8414) making an appropriation for the improvement of the Delaware River between Philadelphia, Pa., and Trenton, N. J.; to the Committee on Rivers and Harbors.

By Mr. CRAMTON: A bill (H. R. 8415) to authorize the deferring of payments of reclamation charges; to the Committee on Irrigation and Reclamation.

By Mr. TINCHER: Resolution (H. Res. 247) requesting the President to call a conference of governments to consider economic adjustments and a further limitation of armament, particularly of subsurface and aircraft; to the Committee on Foreign Affairs.

By the SPEAKER (by request): Memorial of the Legislature of the State of New York urging Congress to investigate the feasibility and cost of constructing a vehicular bridge across Lake Champlain, connecting the States of Vermont and New York; to the Committee on Roads.

By Mr. CULLEN: Memorial of the Legislature of the State of New York favoring an investigation into the feasibility and cost of constructing a vehicular bridge across Lake Champlain, connecting the States of New York and Vermont; to the Committee on Roads.

By Mr. ROBINSON of Iowa: Memorial of the Legislature of the State of Iowa urging enactment of an efficient national pure seed law which will supplement existing State legislation upon the same subject; to the Committee on Agriculture.

By Mr. OLIVER of New York: Memorial of the Legislature of the State of New York requesting Congress to investigate, in cooperation with the State authorities of New York and Vermont, all the practicable sites and the feasibility and cost of constructing a vehicular bridge across Lake Champlain as a part of a Federal-aid highway to connect the States; to the Committee on Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 8416) to remove the charge of desertion from the military record of Ferdinand Young, alias James Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 8417) granting a pension to Anna F. Gourlay; to the Committee on Invalid Pensions.

By Mr. ANDREW: A bill (H. R. 8418) for the relief of Frank P. Hoyt; to the Committee on Military Affairs.

By Mr. ARNOLD: A bill (H. R. 8419) granting an increase of pension to Sarah C. Peterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8420) for the relief of Thomas P. McPheeters; to the Committee on Military Affairs.

By Mr. BLACK of Texas: A bill (H. R. 8421) granting a pension to Mattie Davidson; to the Committee on Pensions.

By Mr. BUCHANAN: A bill (H. R. 8422) to carry into effect the findings of the Court of Claims in the case of Wynona A. Dixon; to the Committee on War Claims.

Also, a bill (H. R. 8423) for the relief of Ann Margaret Mann; to the Committee on Claims.

By Mr. FITZGERALD: A bill (H. R. 8424) granting a pension to Charles W. Jarvis; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 8425) granting a pension to Annie F. Dodd; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 8426) granting a pension to Caroline Marvin Fleming; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 8427) granting an increase of pension to Martha Burdett; to the Committee on Invalid Pensions.

By Mr. OLIVER of New York: A bill (H. R. 8428) for the relief of George Boiko & Co. (Inc.); to the Committee on Claims.

By Mr. PARKER: A bill (H. R. 8429) granting an increase of pension to Elizabeth M. Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8430) granting an increase of pension to Olive Hull; to the Committee on Invalid Pensions.

By Mr. RAGON: A bill (H. R. 8431) granting a pension to Fannie F. Kennedy; to the Committee on Invalid Pensions.

By Mr. REED of West Virginia: A bill (H. R. 8432) granting a pension to Mary Morton; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 8433) granting an increase of pension to Charles J. Marten; to the Committee on Pensions.

By Mr. UNDERWOOD: A bill (H. R. 8434) granting a pension to Rebecca Raeburn; to the Committee on Invalid Pensions.

By Mr. WEFALD: A bill (H. R. 8435) granting a pension to Frederick J. Dum; to the Committee on Invalid Pensions.

By Mr. YATES: A bill (H. R. 8436) granting an increase of pension to James Shaw; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2149. By the SPEAKER (by request): Petition of representatives of labor organizations of La Junta, Colo., opposing amendment of Title III of the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

2150. Also (by request), petition of City Council of Philadelphia, Pa., urging Congress to enact appropriate legislation for the reimbursement of the city of Philadelphia in the matter of Federal taxes unconstitutionally collected during the period from 1862 to 1873 on municipal bonds; to the Committee on Claims.

2151. By Mr. ANDREW: Petition of the Supreme Lodge of the Loyal Sons of America, at Philadelphia, Pa., reaffirming their confidence in their public officials and their allegiance to our Constitution and petitioning Congress to resume constructive legislation and cease investigating on rumor and hearsay evidence, to promote constructive work instead of breeding disrespect and contempt for our Government, and to turn over to the proper legal tribunals the work of weeding out any infractions of our laws; to the Committee on the Judiciary.

2152. By Mr. BIXLER: Petition of citizens of Durant City, Pa., favoring immigration law; to the Committee on the Judiciary.

2153. Also, petition of citizens of Durant City, Pa., protesting against any change in the eighteenth amendment; to the Committee on the Judiciary.

2154. Also, petition of citizens of Elk County, Pa., opposing any change to the eighteenth amendment, etc.; to the Committee on the Judiciary.

2155. Also, petition of citizens of Highland Township, Elk County, Pa., asking that the eighteenth amendment be sustained as at present; to the Committee on the Judiciary.

2156. Also, petition of citizens of Kersey, Pa., protesting against change in the eighteenth amendment; to the Committee on the Judiciary.

2157. Also, petition of W. C. T. U., of Irvine, Pa., favoring imprisonment of first offenders and opposing change in the eighteenth amendment; to the Committee on the Judiciary.

2158. By Mr. CLAGUE: Petitions of citizens of Murray County, St. James Township, Vernon Center Township, Gales Township, Seward Township, Martin Township, and the members of the Amboy Farm Bureau, all of Minnesota, indorsing the McNary-Haugen bill; to the Committee on Agriculture.

2159. By Mr. CONNERY: Petition of Maritime Association of the Boston Chamber of Commerce, asking that the Newton bill be modified; to the Committee on Interstate and Foreign Commerce.

2160. Also, petition of the De Valera Associates of Massachusetts, requesting the President of the United States to use his good offices for the release of Irish prisoners; to the Committee on Foreign Affairs.

2161. By Mr. CULLEN: Petition of Liam Lynch Council of the American Association for the Recognition of the Irish Republic, protesting to the President of the United States against any entertainment by our National Government of proposals for the recognition of a diplomatic representative from the so-called Irish Free State Government, a provincial assembly deliberately set up by England to partition the small but ancient nation of Ireland; and further calling upon the President to demand through the Secretary of State, from Premier MacDonald of England, a definition of the citizenship status of the Hon. Eamon De Valera, who, though born in New York and a freeman of many American cities, is detained, unfriended and in solitary confinement, in one of the Irish prisons of King George V; and, as this distinguished citizen of New York repudiated British citizenship as well as so-called Free State citizenship, it is respectfully suggested that the President request the immediate release of the Hon. Eamon De Valera; to the Committee on Foreign Affairs.

2162. By Mr. GARBER: Petition of citizens of Renfrow, Okla., urging that the immigration bill be passed; to the Committee on Immigration and Naturalization.

2163. Also, petition of citizens of Fairview, Okla., indorsing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

2164. Also, petition of citizens of Harper County, Okla., indorsing the immigration bill; to the Committee on Immigration and Naturalization.

2165. Also, petition of Okarche Local, Oklahoma City, Okla., indorsing the McNary-Haugen bill; to the Committee on Agriculture.

2166. By Mr. LEATHERWOOD: Petition of the Kiwanis Club of Salt Lake City, Utah, urging amendment and passage of Senate bill 889; to the Committee on Education.

2167. By Mr. LEAVITT: Petition of farmers and business men of Polson, Mont., voted at mass meeting presided over by Hon. James Harbert, indorsing the McNary-Haugen bill and urging its early passage by Congress; to the Committee on Agriculture.

2168. By Mr. MOORE of Illinois: Petition of rural carriers of Shelby County, Ill., regarding bill for mail carriers' equipment allowance; to the Committee on the Post Office and Post Roads.

2169. Also, petition of C. F. Hogue, secretary, No. 96, International Association of Machinists, Mattoon, Ill., regarding modification of Volstead Act; to the Committee on the Judiciary.

2170. By Mr. MORROW: Petition of Otero-Garcia Post, American Legion, Albuquerque, N. Mex., in favor of House bill 8207, to extend the provisions of the homestead laws so as to allow certain credit, in lieu of permanent improvements, for the period of enlistment, to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States; to the Committee on the Public Lands.

2171. By Mr. ROUSE: Petition of members of McKinley Council, D. of A., No. 18, of Bellevue, Campbell County, Ky.; to the Committee on Immigration and Naturalization.

2172. By Mr. SHERWOOD: Petition of citizens of the State of Ohio, favoring legislation which provides for the construction of war materials in Government-owned navy yards; to the Committee on Naval Affairs.

2173. By Mr. SNELL: Petition of citizens of Loon Lake, favoring the Johnson immigration bill; to the Committee on Immigration and Naturalization.

SENATE

FRIDAY, April 4, 1924

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

O Lord, Thou hast made us for Thyself. Enable us to realize this high dignity and so may our lives be governed by principles dear to Thy heart. May we express in conduct the eminence of this position of being made for Thyself. Deliver us from smallness in thinking and acting, purify our hearts and elevate our thoughts for Thee, for our country, and for the world's welfare. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday last, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	McCormick	Shields
Ashurst	Fess	McKellar	Shipstead
Bayard	Fletcher	McKinley	Shortridge
Borah	Frazier	McLean	Simmons
Brandages	George	McNary	Smoot
Broussard	Gerry	Mayfield	Stanfield
Bruce	Glass	Neely	Stephens
Bursum	Gooding	Norris	Sterling
Cameron	Harrell	Oddie	Swanson
Capper	Harris	Overman	Trammell
Cole	Harrison	Owen	Underwood
Couzens	Heflin	Phipps	Wadsworth
Cummins	Howell	Pittman	Walsh, Mass.
Curtis	Jones, N. Mex.	Ralston	Walsh, Mont.
Dale	Kendrick	Ransdell	Warren
Dial	King	Reed, Pa.	Watson
Edge	Ladd	Robinson	Weller
Edwards	Lodge	Sheppard	Willis

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], and the Senator from Montana [Mr. WHEELER] are engaged in a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-two Senators have answered to their names. There is a quorum present.

PULLMAN SURCHARGE

Mr. ROBINSON. Mr. President, I ask unanimous consent to have printed in the Record, for the use of the Senate in connection with Senate Document 81, an explanation of tables compiled from working sheets and Interstate Commerce Commission reports relating to the Pullman surcharge.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The matter will be printed in the Record as requested.

The matter referred to is as follows:

EXPLANATION OF TABLES COMPILED FROM WORKING SHEETS AND I. C. C. REPORTS, PULLMAN SURCHARGE CASE, I. C. C. 14785

(For use in connection with Senate Document No. 81)

The carriers have based their defense of the surcharge on the theory that the cost of handling a Pullman passenger is greater than that of handling a coach passenger in direct proportion to the dead weight necessarily carried for each passenger. This dead weight per passenger they obtain by dividing the average weight of coaches or Pullman cars by the average occupancy per car-mile of coaches or Pullman cars, respectively. Without, for the moment, questioning the allocation of expense on the weight principle, it is the purpose of these tables to show that the dead weight per passenger obtained in the tests is unrepresentative and incorrect.

In order to determine the above factors of weight of cars and of occupancy per car-mile they have conducted (1) tests of one week in the eastern and southern districts; (2) they have selected 19 roads in the eastern district as typical of the whole district; (3) they have selected 13 roads in the southern district as typical of the whole district; (4) they have elected on these carriers chosen in the East to use only mixed trains (those containing coaches and either sleeping or parlor cars or both); (5) they have not, however, in the East used all of the mixed trains, as it would seem from the testimony, but only